

EMPLOYEE BENEFITS AND CHALLENGES OF TELECOMMUTING VIRTUAL
WORKING ARRANGEMENTS IN THE SERVICES INDUSTRY

by

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Abstract

Virtual working arrangements, including telecommuting, are on the increase globally due to the challenges that organisations face in the current global economy. Virtual working arrangements present considerable possible benefits to organisations, employees and the community at large if correctly implemented. It is estimated that 45 million Americans teleworked in 2006 alone (O'Brien & Hayden, 2007) with predictions of the number reaching 100 million in the United States of America by 2010 (Wilsker, 2008). However, in South Africa this organisational form is not well documented or implemented presently. As a result, local organisations are unaware of the employee benefits and challenges that will be faced when implementing a telecommuting programme and how best to implement teleworking arrangements with these factors in mind.

The researcher, through the use of both quantitative and qualitative techniques utilising a questionnaire, gathered information from a convenience sample of four organisations in the services industry in South Africa. The information was gathered in order to determine the employee benefits and challenges that are present when teleworking, in comparison to the internationally accepted benefits and challenges. Statistical analysis was undertaken on the captured data.

Local conditions were found to be similar to international conditions, with local teleworkers reporting similar benefits resulting from teleworking. Teleworking challenges, however, were not found to be as prominent in the local context, with respondents indicating only a few of the international employee challenges to be present within their teleworking arrangements.

Teleworking arrangements can be as beneficial to local organisations, employees and society as they have been internationally, but need to be implemented carefully. Selecting the right employees and departments within the organisation to participate in the teleworking arrangement is essential, along with ensuring that the correct policies and procedures are in place to support and promote the working arrangement.

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CHAPTER ONE - INTRODUCTION

1.1 BACKGROUND TO THE PROBLEM

The current global business environment and its challenges are characterised by amongst other things: increasing and controlling costs, increasing scarcity of resources both human and material, reducing profits, increasing commuting time to and from the work place for all employees, increasing employee turnover, increasing productivity and quality requirements and increasing competition from existing and new sectors, both locally and globally (Akkirman & Harris, 2005; Johnson, 2004; Siha & Monroe, 2006). The changing work environment is visible in how the boundaries of time, space and the existing organisational structures transcend across the globe (Watson-Manheim, Chudoba & Crowston, 2002).

In order to address these issues and others, organisations require flexibility and progressive management to remain competitive and at the forefront of their respective industries. Flexibility is a 'top of mind' priority for managers in the current dynamic work environment according to Gibson (2003). Listed as the key areas to winning and remaining competitive are "speed, responsiveness, agility, learning capacity and employee competence" according to Johnson (2004:722). Vakola and Wilson (2004) indicate that the information infrastructure of an organisation determines its strength and weaknesses as well as the overall competitiveness in this dynamic and challenging environment and should not be overlooked by organisations.

Organisations are attempting to become more agile through flattening hierarchies and removing elements of business that are seen as not being core to the functioning of the organisation, or in which a competitive advantage is not held (Gibson, 2003). Thorne (2005) states that businesses have a fascination with virtuality and that virtual organisations are the only response to the current chaos of global competition, Akkirman and Harris (2005) support this view. Jackson, Gharavi and Klobas (2006) state that IT-enabled organisations are making more use of virtual teams as an integral part of their operations and to improve current performances.

Thorne (2005:581) states that “the iron cage of the rational, hierarchical, authoritarian organisation, representative of the previous physicalised era of industrial capitalism, is replaced by the new, benign, boundary-less, flexible, networked, information and communication technology-driven, empowering virtual organisation”. IBM, Lotus, Boeing, AT&T, Merrill Lynch and Hewlett-Packard are a few of the multinationals that are making a success of virtual working arrangements in their global operations according to Kowalski and Swanson (2005), indicating the magnitude and type of organisation that can adopt virtual working arrangements.

Virtual working arrangements can assist organisations in the human resource strategies of succession planning and retention, which are important organisational policies and strategies in the current global business environment according to Heneman and Greenberger (2002) and Baruch (2003). Increasingly organisations require frequent transformation in order to keep policies current and effective. Ingham (2006:20) cites a global survey by Accenture, which concluded that “...attracting and retaining talent is the third biggest concern of senior business executives”. This highlights the growing and developing problem of employee retention in the organisation and the attention that it is receiving at the highest management levels.

Virtual working arrangements extend into possible reward mechanisms for organisations to motivate employees to improve performance. Allowing dedicated and hardworking employees to work from home can be used as a reward mechanism and as a way of building trust and loyalty between management and employees according to Kurland and Egan (1999). These employees ultimately remain at the organisation for longer periods, reducing employee turnover and reducing the human resources cost of hiring new employees (Heneman & Greenberger, 2002; Johnson, 2004). Wilsker (2008) supports this finding, concluding that 64 percent of employees would turn down a 20 percent pay rise, if they could continue teleworking.

A virtual team is the evolution of the network organisation according to Horwitz, Bravington and Silvis (2006). Organisations are moving away from the traditional organisational approaches to varying levels of virtual organisations to counteract

some of the current business challenges according to Helms and Raiszadeh (2002). Leveraging the benefits and challenges offered by this new organisational style will assist organisations in dealing with the pressures of the global 21st century economy. Using virtual working arrangements, businesses are able to extend their reach and grow their markets at a much lower cost than if they had to set up offices in every province/area in which they conduct business. Conner (2003) goes further to say it is possible, through virtual working arrangements, for organisations to locate some suitable business activities in low-wage locations or countries, creating economies of scale for global operations and reducing input costs.

Curseu, Schalk and Wessel (2008) state that virtual teams are now a common form of arranging organisation structures. The authors state that virtual teams are most common when an organisation requires the creation of innovative ideas, has tasks that require large amounts of information processing and requires that complicated problems be solved immediately. Cetron and Davies (2008) and Curseu et al. (2008) state that the rapid adoption of virtual working arrangements can be attributed to the various new challenges that organisations face in the 21st century and the development of communications technology that has improved speed, access and ease of work coordination across boundaries.

Wilsker (2008) states that the average full-time teleworker in the USA, regardless of salary scale, receives an annual salary raise of \$8,400 due to the reduced expenses that result from teleworking. These reduced expenses include reduced vehicle and clothing wear and tear, reduced parking costs and less food and insurance expenses (Wilsker, 2008). This reduction in expenses may not be directly comparable to the South African context due to the different natures of the American and South African employees and consumers, but it does indicate the potential benefits that may be available for individuals who telework.

Wilsker (2008) goes further to say that it is estimated that organisations can add \$20,000 per full-time teleworking employee, per year to their bottom line if all potential savings are added together. Again, this benefit may not be directly comparable to the South African context, but indicates the possible return on investment that can be created when investing in teleworking programmes.

Gibson (2003) states that increasingly employees are expected to have varying skills, allowing them to move between tasks easily and to be more flexible in where and how they work. Virtual working allows a project to be operational 24 hours a day, with employees in different parts of the world continuously working, thereby allowing companies to make use of cheaper foreign labour resources and achieving results faster than before, according to Horwitz et al. (2006).

These factors, coupled with improvements in technology and the increasing globalisation of the world's economy, require a shift in the way organisations conduct themselves and complete tasks. Virtual working arrangements are a growing trend amongst organisations allowing them to compete effectively in the 21st century (Horwitz et al., 2006).

1.2 FACTORS CONTRIBUTING TO THE ADOPTION OF VIRTUAL WORKING ARRANGEMENTS

The current economic turmoil that the world is facing creates an opportunity for organisations to undertake new ways of conducting business and may result in further adoption of virtual working arrangements globally, because of the potential cost savings that are possible (Morgan, 2004; O'Brien & Hayden, 2007). Organisations deciding to downsize or that may be forced to merge with competitors, may be able to make the best use of virtual working arrangements, enabling these organisations to maintain geographically dispersed employees and operations (Watad & Will, 2003).

Increasing traffic congestion is frequently cited as a motivating factor for employees to embark on virtual working arrangements, with the South African situation continuing to worsen (Siha & Monroe, 2006). In South Africa, according to the Road Traffic Management Corporation (2008), the number of registered vehicles on South African roads continued to increase during the year ending March 2008, with an annual increase of 5.2 percent. The total cost of accidents in South Africa during the 2007-2008 period totalled R13.27 billion (Road Traffic Management Corporation, 2008). This finding may indicate an area for government to encourage the adoption of virtual working arrangements to reduce this burden on the fiscus.

The increasing number of vehicles adds to the already overburdened road infrastructure in South Africa and adds to the growing pollution and other negative environmental effects that this has on the country (Sperling & Yeh, 2009). Increasingly governments around the world are focussing on the negative impacts that globalisation is having on the environment and are encouraging new and innovative ways to lessen the impact on the environment (Lopez-Gunn, 2009); telecommuting can be part of the solution.

Companies in the USA are motivated to embark on virtual working arrangements through the introduction of the 1990 Amendment to the Clean Air Act according to Siha and Monroe (2006). The Act targets 11 cities in the USA with the worst air quality levels and mandates that companies reduce the number of employees commuting each day by 20 percent, with telecommuting seen as one of the solutions to this problem. Siha and Monroe (2006:468) also note the recent passing of legislation by the US Congress which promotes telecommuting directly in the Telecommuting and Air Quality Act, giving organisations incentive to introduce telecommuting and other congestion-reducing initiatives. O'Brien and Hayden (2007) describe some governments' involvement in encouraging this new virtual organisational form through increasing labour market flexibility goals to promote equality, to meet labour demands and promote the attaining of family friendly goals.

Siha and Monroe (2006) report that the average worker spends 400 hours a year travelling to and from work and caught up in inner city traffic congestion. Adding up these lost and unproductive hours and reducing this time could result in an improvement in the overall economy of the country and quality of life of its inhabitants. Reducing these unproductive hours has become one of the American government's targets, by including measures or incentives for organisations to reduce this time spent by employees in some of its government legislation (Watah & Will, 2003). Studies in the US indicate that telecommuters reduce their vehicle usage by up to 30 percent, despite an increased number of personal trips each month, resulting in less congestion on the roads from which the greater community benefits (Siha & Monroe, 2006).

Neotel recently launched in South Africa as a new telecommunications provider and has been a major driver of the new, Seacom Undersea telecommunications cable according to Mutula (2007). Seacom connects sub-Saharan Africa to the rest of the world through a fibre optic link, which is reportedly ten times cheaper than connectivity through satellites, which the sub-Saharan region currently utilises and will be operational during 2009 (Mutula, 2007). This improved connectivity should expand the current internet usage on the continent through cheaper connectivity and increase the broadband options available to organisations, making virtual working connectivity issues and costs less of a constraint than currently experienced on the African continent.

Improvements and reductions in costs of computer software permits more work to be completed on personal computers away from high tech software based at organisation's headquarters (Kowalski & Swanson, 2005). Graphics programmes that require high tech computers and that are extremely expensive are now more readily available and are suitable for home computers. Advancements in printers, making them smaller and more powerful, has also opened up teleworkers to the benefits of home-office equipment, enabling virtual working arrangements according to Wilsker (2008).

Factors that contribute to the increasing establishment of virtual working arrangements according to Kowalski and Swanson (2005) include the following: constant upgrading and decreasing costs of portable information and communication technologies such as Blackberry; increasing real estate costs; increasing number of white-collar workers and the increasing number of dual career households. The authors continue discussing additional factors that contribute to establishing virtual working arrangements that include requirements by organisations to remain flexible in order to retain their competitive advantage and the growing belief that the adoption of teleworking programmes can benefit the organisation, employees and the greater community all at once.

Contrary to the previous positive factors regarding telework adoption, Siha and Monroe (2006) state that telecommuting is still a passive strategy implemented by management. Teleworking is not taken seriously enough to be implemented as part of a corporate wide strategy, but limited to specific departments, resulting in

slower than expected adoption of this organisational form according to the authors. O'Brien and Hayden (2007) support this view and state that much greater promotion of this new organisational form is necessary and should be embraced. Pilot programmes are easy and simple to initiate, allowing organisations to determine the benefits and challenges of this new working arrangement for the particular organisation (Morgan, 2004).

Kowalski and Swanson (2005) agree that the adoption of virtual workers is not as prolific as anticipated. The authors include the following as some of the contributing factors: the perception that teamwork would suffer as a result of virtual working operations; reducing ability of employees to socialise with co-workers; organisational information security concerns and the lack of global reach of broadband technologies. Kowalski and Swanson (2005) continue by quoting J. Nillies, known as the father of telecommuting, who states that the biggest barrier to virtual working arrangements is management trust, management attitude and management fear of change.

Numerous driving factors are introducing organisations to the different virtual working possibilities, but more work is still needed, both globally and in South Africa, to promote this new organisational form and to increase the number of organisations receiving the benefits that it has to offer (Morgan, 2004; O'Brien & Hayden, 2007; Siha & Monroe, 2006).

All of these described benefits have been researched extensively in the global context judging by the number of easily accessible journal articles on the topic. The benefits of virtual working have not yet been verified in the South African context due to a limited number of virtual working studies specific to South African organisations having been completed. South African organisations have little research to back up business cases for establishing virtual working arrangements due to not having definitive proof that the benefits for employees and organisations that are obtained globally are achievable locally.

This limited exposure of local organisations to teleworking arrangements was evident whilst indentifying a group of potential organisations to include in this study. A limited number of the organisations contacted were able to participate in

the study due to most organisations having little or no telecommuting arrangements in place. Two organisations identified offered telecommuting, but had no formal telecommuting policy, which resulted in the organisations rejecting the request to participate in the study.

1.3 PROBLEM STATEMENT

Although internationally virtual workers are increasingly becoming part of the traditional organisation, the anticipated employee benefits and challenges have not been suitably investigated and verified in the South African context, questioning the benefits of implementing virtual working arrangements in South Africa.

The present study aims to contribute to the existing theory on telecommuting, specifically in the South African context, to assist organisations in their understanding and development of telecommuting working arrangements to the benefit of the organisation, its employees and the community at large.

1.4 CONTRIBUTION OF THE RESEARCH

The objective of the research is to determine how the presence of globally researched employee benefits and challenges of teleworking pertain to and affect the adoption of teleworking arrangements in the services industry in South Africa.

Secondary objectives include:

- Identifying the unique employee benefits from teleworking arrangements in the services industry in South Africa;
- Identifying the unique employee challenges from teleworking arrangements in the services industry in South Africa.

1.5. BACKGROUND TO THE RESPONDING ORGANISATIONS

Each of the responding organisations identified requested to remain anonymous throughout the study. As a result, no reference to any specific organisation will be mentioned.

The first of the responding organisations operates within the cellular telecommunications industry in South Africa as well as abroad and employs over

6,500 people, with an annual turnover exceeding R50 billion (Datamonitor, 2008). Services, including mobile and data communication, are the organisation's key market offerings to consumers (Datamonitor, 2008). The organisation has national operations with offices throughout South Africa, offering services to individuals and other organisations, with well-known and established brands (Datamonitor, 2008).

The second responding organisation operates within the banking sector in South Africa, offering a full spectrum banking service to consumers. The organisation operates divisions across the world and employs over 50,000 people, with a turnover exceeding R80 billion (Datamonitor, 2008). Banking and investment products and services are the key market offerings to consumers (Datamonitor, 2008). The organisation is represented nationally, with offices across South Africa offering services to individuals, organisations and corporate clients (Datamonitor, 2008). The organisation has been operational for many years and is a well-known and established brand with the South African consumer.

The third responding organisation is a provider of financial and risk services to a broad range of clientele within South Africa and the United Kingdom, employing over 4,000 employees (Datamonitor, 2008). Clientele include individuals, specialist groups and organisations of varying size. The organisation has operations across the country, has been operational for many years, and is recognised as a well-known brand within South Africa (Datamonitor, 2008).

1.6 OUTLINE OF THE REMAINING CHAPTERS OF THE DISSERTATION

Chapter Two utilises current and recognised literature to explore virtual working and, in particular, telecommuting virtual working arrangements. This understanding of the important elements of telecommuting arrangements identify areas that should be considered by organisations and how organisations and employees are affected by these structural changes and new organisational forms. Emanating from the literature review, the research questions are posed.

Chapter Three describes the research methodology, the target population, the sample chosen, how the researcher collected and analysed the data in order to answer the research questions and the ethical considerations taken into account.

Chapter Four presents the statistical validity of the sample and the findings of the study. This chapter links these findings to the research questions stated in Chapter Two.

Chapter Five presents the researcher's interpretation of the findings and links these findings to the literature discussed in Chapter Two. This chapter also identifies the limitations of the study.

Chapter Six concludes the study, summarising the research objectives and the main findings of the study. This chapter also provides further recommendations from the researcher and suggests further research that could be conducted on the topic in order to add to the existing knowledge in this area.

CHAPTER TWO - LITERATURE REVIEW

2.1 INTRODUCTION

Virtual working arrangements have been exploited for many years internationally, with a variety of studies having been completed on the various virtual working organisation forms (Siha & Monroe, 2006). Patrickson (2002) states that the over 55-age group in Australia has shown the most interest in teleworking arrangements. Ilozor and Ilozor (2002) contrast this statement with the European view, where interest in telecommuting is highest in younger people and starts to decline in those over 40 years of age. According to Wicks (2002) the appeal of telecommuting applies to all workers and is not dependent on family size, work experience or gender.

Limited research that focuses on virtual working arrangements within South Africa is accessible, although there have been studies that have been conducted by South African organisations on their own virtual working arrangements (Appia-Mfodwo, 1998).

2.2 DEFINITION OF THE VIRTUAL ORGANISATION AND ITS COMPONENTS

According to Siha and Monroe (2006), the terms 'telecommuting' and 'virtual office' first appeared in articles in 1979 and 1981 by Martino and Giuliano respectively, while O'Brien and Hayden (2007) state that teleworking began in the mid 1970's and, to this day, remains largely a first world phenomenon.

Siha and Monroe (2006) and Curseu et al. (2008) state that a commonly accepted and used definition of virtual teams has not yet been established and that no consensus exists as to whether or not virtual teams are temporary or permanent. The absence of a clear definition can pose problems when researching and discussing virtual working concepts as respondents may speak from different reference points, describing what they see as virtual workers. This disparity could have a negative effect on the outcome of the research, if the context of the research is not made clear and understood by all respondents (Curseu et al., 2008; Siha & Monroe, 2006).

Comparisons of different studies is also problematic, as different research covering the same topic may include or exclude some areas of virtual working

that others don't, due to researchers adopting their own definitions (Curseu et al., 2008). The different types of virtual organisations have been clarified to some extent depending on the degree to which the organisation has virtual operations, but here too, there is not one universally accepted definition (Panteli & Duncan, 2004; Shekhar, 2006).

Helms and Raiszadeh (2002) describe three types of virtual organisations: 100 percent virtual, for example, internet organisations where all non-core business functions are outsourced. Secondly, hollow firms that have reduced their workforce dramatically and reengineered business processes, "doing more with less" (Helms and Raiszadeh, 2002:240) and outsourcing some of the none core business functions. Finally, virtual offices or teams which form part of the greater organisation but which operate virtually to a greater extent than the rest of the organisation.

Conner (2003) categorises organisations into three degrees of 'virtualness' as follows: the telecommuting stage characterised by the use of technology to allow employees to work away from the office and each other; the front-line stage where front office activities are taken closer to the customer, out of the office into remote locations that are more accessible to consumers; and finally, the cyberlink stage where many different organisations work together through technology to achieve set goals. Virtual organisations can play the role of central communicator, bringing other organisations together to produce goods or services for a specific market, only performing a few core functions themselves, nothing else (Conner, 2003).

Shekhar (2006: 476) refers to the "degree of virtuality" of organisations and describes it as "the percentage of organisational tasks or activities that get completed using ICT facilitation (or non face-to-face interaction mechanisms)", with the three core areas being measured described as external customers, internal customers and value chain partners.

Within the virtual office, Helms and Raiszadeh (2002) indicate the possibility of four alternatives, each with their own distinctive benefits and challenges. Telecommuting which is the most common type of virtual working, is an

arrangement where an employee has a desk or office at the organisation but is able to work from home on an agreed upon basis a few days a week. Hotelling, common with consultancy firms, is where the employee has no fixed office or desk at the organisation, but books space for the times when he/she will be present at the building and not working outside of the organisation's office. Home workers are employees who work from home on a daily basis and never commute into the office. Fully Mobile workers are those that do not have an office at all, but spend time on the road visiting customers and working from customers' premises on a full time basis, a common approach with sales people and auditors.

Johnson (2005) includes in his definition of the virtual organisation, managers who are based at their organisations' offices, but manage employees that are widely dispersed around the country or province, as another alternative within the virtual office environment. Curseu et al. (2008) go further, differentiating between virtual teams and global virtual teams, as they are seen to have some commonalities but a differing set of complexities, which need to be established and managed differently. Siha and Monroe (2006:456) include the group "occasional home worker" as part of the virtual working community, for example, those people who extend working hours when they get home from the office through utilising telecommunications technology such as Blackberry and 3G.

Heneman and Greenberger (2002) state that due to the current difficulties of explicitly defining virtual working organisations, researchers and organisations need to take the following different types of organisational structures into account when considering virtual working arrangements: horizontal organisations, which include intact work teams and temporary work teams; network organisations; alliances and cellular organisations. Each of these organisational structures has their own unique requirements for virtual organisations, adding to the complexities already identified.

Akkirman and Harris (2005:398) describe the virtual workplace as "not bound by the traditional limitations of time, physical space, job descriptions, title and pyramidal reporting relationships". Due to various improved technologies and software available, the difference between an office on site and an employee's spare bedroom are becoming increasingly small and are having less of an effect

on business activities according to Beasty (2005). Tietze and Musson (2003:439) cite research that shows the changing of “how the time of work (the duration of the working period), the timing of work (the arrangement of working time) and the tempo of the work (utilisation of work time) constitute the fundamental temporal structure that defines the experience of work”.

The various definitions of virtual working mentioned indicate how virtual working allows employees to take greater control over the three variables mentioned in the time and social theory research, which ultimately should result in an improved working experience for the employee (Tietze & Musson, 2003).

The way in which organisations deal with consumers is changing, as indicated by Calzonetti and de Chambeau (2003), in their example of how students make more use of the library and its resources remotely than ever before. This opens up the operations of the organisation to virtual workers, who, like their customers, do not need to be on site in certain cases to offer the service. Increased flexibility for organisations and their employees is now necessary due to the current global business environment and is achievable through virtual working arrangements (Jackson et al., 2006).

O'Brien and Hayden (2007) state that 45 million Americans telecommuted in 2006, an increase from the 41 million Americans that telecommuted in 2003. A similar proportion of the total South African population would require around 2.7 million South Africans to telecommute; the actual number is currently unknown. According to Morgan (2004), Microsoft founder, Bill Gates has claimed that, based on the current take on of virtual working arrangements, by 2050, 50 percent of all workers globally will work from home, while Wilsker (2008) predicts 100 million telecommuters in the USA alone by 2010.

Virtual working arrangements have not been embraced by South African organisations in the same way as their international counterparts. Appia-Mfodwo (1998) reports that only 21 percent of the 91 companies investigated in three major provinces of South Africa, had adopted telecommuting practices, very different from their American and European counterparts.

2.3 BENEFITS OF VIRTUAL WORKING ARRANGEMENTS

As with any business decision, prior to choosing the type of virtual working arrangement to initiate, the purpose and benefits sought for all stakeholders need to be outlined and understood. Thorne (2005) states that in the business-restructuring literature, virtual organisations are described as being revolutionary in nature, unconstrained by the material aspects of other organisational structures.

Helms and Raiszadeh (2002: 242) state that the main benefits sought from moving to a virtual organisation is “cost reduction in the areas of real estate, recruitment and training”. Further benefits indicated by the authors include increasing productivity, depending on the nature of the work involved; reengineering processes, which streamline total operations; attracting and retaining employees; increasing employee flexibility and creating more loyalty within the organisation. Giving employees non-wage remuneration can be as effective in retaining employees as paying higher than market related salaries according to Martinez-Sanchez, Perez-Perez, Vela-Jimenez and de-Luis Carnicer (2008) and is something that organisations in the current global economic environment can consider in an effort to reduce costs and retain employees.

Kowalski and Swanson (2005) and Martinez-Sanchez et al. (2008) include higher morale and job satisfaction as well as lower employee turnover and improvements in work-life balance as benefits of virtual working arrangements. Organisations are seeking new ways to expand work-life balance programmes on offer to employees, as additional benefits of working for a particular organisation according to Hamilton, Gordon and Whelan-Berry (2006). Martinez-Sanchez et al. (2008) also state that women may derive the most benefit from telecommuting arrangements due to their family commitments, although with increasing dual-career families emerging, this may not still be the case.

Mann, Varey and Button (2000) state the following as benefits indicated by virtual workers in their research: more freedom and flexibility; improved working environment; fewer distractions; reduced cost for the employee; freedom to work in comfortable clothes; freedom from office politics and increased ease to complete domestic chores. Ilozor and Ilozor (2002) state that job satisfaction is

expected to be high in telecommuters due to the reduction in stress levels that they experience through this arrangement.

Beastley, Lomo-David and Seubert (2001) describe the following as perceived areas impacted on by telecommuting: improvement in the quality of life of employees and their families; less impact on the environment; positive contribution to surrounding society; improvements in individual and company productivity and enhancements in the appeal of a company in existing employees and in potential employees' eyes.

O'Brien and Hayden (2007) state four main reasons for the promotion and development of virtual working arrangements: allowing organisations to manage variable workloads to deal with peak periods of demand; creating additional and suitable coverage over the weekends or holidays for specific business areas; creating the ability to retain valued members of staff; and finally allowing a response to employee demand for flexible work practices. This presents a strong case for establishing virtual working teams that includes meaningful benefits for organisations and their employees, while increasing customer service (Kowalski & Swanson, 2005).

Virtual working arrangements can assist employees in reducing stress at home and allow dual-career couples a balance between work and home life without having to be separate from each other due to work commitments (Ahmadi, Helms & Ross, 2000). Virtual working also allows for better customer service over extended hours, improved speed with which organisations are able to respond to and resolve customer issues and competition as well as sourcing of specialised staff that may be spread across the globe according to Morgan (2004). Using these and the other benefits mentioned above could result in increased competitive advantage for companies that effectively deploy different virtual working arrangements (Martinez-Sanchez et al., 2007; Morgan, 2004; Shekhar, 2006).

Johnson (2004:724) states that "family-friendly employment policies" are increasingly used as a tool by organisations to attract and retain employees. Johnson (2004) also highlights the following benefits for the organisation from

work-life balance policies: attracting the best available talent; retaining valued employees; improving customer services; increasing morale; increasing return to the workforce of women; promoting commitment and loyalty; reducing absenteeism, sickness and stress and, finally, improving performance and productivity. Johnson (2004) notes that a third of UK managers would change their jobs if they felt an improved work-life balance would be achieved, while in Europe, Russia, USA and Japan balancing work-life requirements was the highest or second highest attribute when considering a position in an organisation (Johnson, 2004).

Kepeczyk (1999) adds to the above argument by introducing claims of improvement in employee productivity by between 15-30 percent and Johnson (2004) concludes that employees who have a work-life balance are more productive than those who do not have such balance in their lives. Siha and Monroe (2006) conclude that productivity increases when work-at-home employees do work that is structured, repetitive and measurable. Kowalski and Swanson (2005) note that some managers believe employees are willing to work harder when they have increased flexibility through teleworking arrangements.

Kepeczyk (1999) points to the fact that fewer interruptions and quieter, more focused work environments when working virtually as to when being in the office, result in increased productivity from employees. Mann et al. (2000) report how the organisation, Ernst & Young, reduced office space by 25 percent at their New York and Chicago branches by establishing a form of virtual working. Meadows (2007) includes a reduction in sick leave as another financial benefit to organisations utilising telework programmes.

Kepeczyk (1999) indicates how organisations are able, through virtual working arrangements, to include people who were previously excluded from being potential employees due to parental responsibilities, being physically handicapped or being unable to travel the distance required from home to the office. This is an important benefit derived from virtual working arrangements in times of global scarcity of talented human capital according to Heneman and Greenberger (2002). Patrickson (2002) confirms that virtual working arrangements, due to separating the output from the worker, create the

opportunity to expand the workforce to include previously marginalised workers. Work is assessed purely on the output achieved and not on the person and the output, which allows a whole range of employees previously discriminated against, to succeed in the work environment. Choosing older workers to form part of a virtual team may result in higher work output due to potentially fewer interruptions and due to not having children at home according to Patrickson (2002).

In the South African context, virtual work teams may be used as a tool to acquire more Broad-Based-Black-Economic-Empowerment (BBBEE) points, through hiring more disabled and previously discriminated individuals, as well as people in rural communities who have the minimum required infrastructure available. BBBEE seeks to improve imbalances in the workplace, through none discrimination of all employees and potential employees and promotes the employment of certain groups and can be a requirement for government contracts (Fourie, 2007).

Virtual teams may also be used by organisations to encourage older workers in semi-retirement, to remain employed for a few days a week and to continue to share their knowledge and experience with younger workers, improving the new workforce's abilities. This practice may assist organisations in dealing with current human resource constraints and challenges (Siha & Monroe, 2006).

A virtual working arrangement may become even more cost effective as organisations can use virtual working as a carbon offsetting or reduction technique (Siha & Monroe, 2006), allowing organisations to avoid paying the penalties of additional taxes that may be imposed in the future for those organisations that exceed set carbon emission quotas. Costs incurred in establishing virtual working arrangements could be covered in part by this reduction in penalty costs.

Virtual working arrangements differ in their implementation with no two implementations being the same, within or between two organisations (Morgan, 2004). Each implementation will have different design elements and will result in different benefits for the organisation, depending on the depth of the virtualisation

and the type of virtual organisation chosen to implement. Siha and Monroe (2006) state that service organisations are particularly well suited to implementing telecommuting arrangements and may derive the most benefit for employees and the organisation.

2.4 CHALLENGES OF VIRTUAL WORKING ARRANGEMENTS

Johnson (2004) and Martinez-Sanchez et al. (2007) state that the issues most often cited as factors that contribute to the lack of flexible working practices are: the fact that organisations do not see flexible working as a priority issue; the perception of some people that those who work flexible hours are seen as not really working and the perception that managing people who work flexible hours is more difficult. It is difficult to change perceptions without managers experiencing virtual working arrangements and without reading material on the practice being present in local literature, these virtual working arrangements will only develop over time.

Investment in technology is a prerequisite for virtual organisations (Shekhar, 2006; Siha & Monroe, 2006), but it is the people who are the true successes of virtual organisations, with technology as the enabler (Vakola & Wilson, 2004). Ensuring that employees have the flexibility and connectivity equal to that which they have in the office is essential. Sharing of the office printer and fax machine is no longer a reality for two employees who previously worked in the same office, resulting in a definite increase in certain hardware costs that reduces potential savings made on office space when embarking on virtual working arrangements (Kowalski & Swanson, 2005).

Technological enhancements, however, make it possible for employees to receive and make calls directly from home computers or laptops with the same clarity as if they were sitting in the office, with the cost of calls still accruing directly to the organisation (Wilsker, 2008). This practice removes some of the administrative burden of accounting for office expenses at home and eliminates some of the costs of installing communications networks at each virtual worker's home. New wireless communication and data technologies that are available are constantly improving, bringing faster data transfer speeds to the mobile worker, resulting in

minimal difference between network and mobile connectivity (Nandhakumar & Baskerville, 2006).

Ahmadi et al. (2000) and Corbitt (2001) record the importance of remote computers having sufficient backup capabilities to prevent valuable data loss as well as regularly updated anti-virus software. Various forms of backup software are now available to assist with this requirement, be it individually at the virtual workers premises or over the internet to a joint backup facility with the rest of the organisation.

Vakola and Wilson (2004) and Akkirman and Harris (2005) mention that success in implementing a virtual workplace is more than simply investing in new technologies. It requires an investment in the employees of the organisation and a definite effort in building and maintaining trust of employees with management through frequent and quality communication. This communication, according to Akkirman and Harris (2005), is the glue that holds telecommuting relationships together and is more important in virtual settings than traditional office environments. Without effective communication, telecommuting arrangements will fail in the long term. Siha and Monroe (2006) state that the lack of trust which may exist between employers and employees, is a barrier to the adoption of telecommuting arrangements and that the culture of the department and organisation influences the levels of trust experienced.

Panteli and Duncan (2004:423) state: "Virtuality requires trust to make it work: Technology on its own is not enough". These authors note that having trust in business relationships assists in reducing the complexity and time taken to resolve issues and increases cooperation from individuals. Trust is particularly important in virtual settings, with little face-to-face time and with social relationships under pressure. Without a level of trust between management and virtual workers and between virtual workers and their co-workers, completing tasks can be difficult and more onerous.

Akkirman and Harris (2005) explain the importance of communication when telecommuting due to the way the virtual environment changes the familiar and expected pattern, content and context of organisational communication. If not

properly engaged, virtual working results in lower commitment, increasing absenteeism, higher employee turnover and reduced productivity from virtual workers. Higher levels of job stress and lower manager-subordinate trust and job satisfaction have all been linked to poor communication according to Akkirman and Harris (2005). The authors also found that virtual office workers experience a higher degree of communication satisfaction than that noted in previous literature on the subject, questioning previous perceptions of communication breakdowns in virtual settings.

For management, less face-to-face time with employees, less visibility of when employees are actually working and the requirement of higher quality communication are some of the challenges identified by Helms and Raiszadeh (2002). Thomas (2005) points out that when a virtual worker is not communicating, this should be an immediate sign to management that there may be a problem requiring attention. Curseu et al. (2008) state that without the presence of an effective leader within a virtual team, focus will be lost and the difficulties of working virtually may outweigh the benefits. O'Brien and Hayden (2007) include abuse of information technology and communication tools as a potential downside of virtual working if employees are not properly managed and monitored throughout the process.

Akkirman and Harris (2005) and Lardi-Nadarajan (2008) describe the necessity of a gradual transition to virtual working. These authors state that a 'once off' implementation across the organisation can often lead to failure of these arrangements due to the culture and social changes that need to take place to make virtual working arrangements a success, as well as management and employee support of the programme. Moving to virtual arrangements requires the transformation of large parts of the existing organisational structure which takes time to develop and document (Lardi-Nadarajan, 2008; Siha & Monroe, 2006). Virtual arrangements require new human resource approaches and techniques as well as a change in the way the organisation and human resources department operate according to Heneman and Greenberger (2002). By providing strong and regular task feedback to virtual workers, the need for personal feedback and closer relationships with superiors diminishes, as employees are frequently reminded of their performance achievements (Akkirman & Harris, 2005).

Organisations need to be careful about the message that is sent by telecommuting to those who are not being offered such luxuries (Anon, 2008). Management will need to be aware of the potential negative messages that it may send and should be prepared to deal with such eventualities. Few organisations are able to quantify the costs and benefits properly in financial terms of their virtual working arrangements and that planning, even if necessary on an employee-by-employee basis, is of central importance to the success of a virtual arrangement (Anon, 2008). Virtual working arrangements are not suitable for all types of work and organisations will need to assess this prior to embarking on any virtual working arrangement according to various authors (Baruch & Yuen, 2000; Morgan, 2003; Watad & Will, 2003).

For organisations that do not yet wish to invest in extensive virtual working arrangements or are fearful of the challenges they pose, an interim measure to be considered, as indicated by Boyd (1999) and Kowalski and Swanson (2005), is the concept of a satellite office which can be used to orientate organisations to the concept. A satellite office is located away from the main organisation, but is a place where employees are able to work in an office environment without having to commute to their headquarters. Boyd (1999) makes mention of how this practice has been implemented in Japan, creating offices on the outside of Tokyo, allowing employees to spend much less time commuting to and from work each day. Despite not working at their regular offices, these virtual workers are still able to enjoy some of the intangible benefits of working in an office environment which are missed when teleworking.

Further developments in virtual working have grown into co-working arrangements, remote offices that contain workers from various organisations, allowing employees to meet and socialise with people and lessen the often-cited problem of virtual working, loneliness (Marquez, 2008). Organisations are increasingly recognising this as an extension to virtual working arrangements and are allowing employees to claim for these expenses according to Marquez (2008).

Additional requirements of organisations looking into the establishment of virtual working arrangements include: insurance of the home office environment and the equipment contained therein; security requirements of equipment and of data

moving in and out of the organisation to numerous external computers and potentially outside people; local laws governing activities at a residence; offering remote technical support to virtual workers as well as the challenges of supervising employees who are not visible (Kepczyk, 1999). These requirements can be new challenges which organisations have not yet had to address with traditional structures and can create additional burdens to the organisation. Not offering remote technical support to virtual workers can distract employees from their work tasks, with problems that are not present in the traditional office environment, thus lowering productivity and increasing employee stress (Akkirman & Harris, 2005).

Legal issues surrounding virtual working arrangements and insurance, compensation and other issues differ between countries and are not yet well established according to Tidd (1999). This needs to be taken into account, with clear guidelines and policies between the parties involved, preferably in a formal written agreement and not orally, as is the practice of many organisations (Panteli & Duncan, 2004).

Mann et al. (2000) state the following disadvantages of teleworking: isolation, longer hours, lack of support, less sick leave and reduced career progression. Managers need to be aware of all of the perceived negative aspects of virtual working and address as many of them as possible in order to encourage and develop virtual teams (Morgan, 2004). It is suggested by Mann et al. (2000) that virtual working policy documents are developed for virtual teams to cover all the expectations of the organisation, management and employees, while also covering the different cost aspects and responsibilities for virtual workers and their organisations. This is seen as being an important step to resolving potential conflicts that may occur during teleworking and after implementation of virtual teams.

Lim and Teo (2000) and Horwitz et al. (2006) note that full time virtual workers may have more trouble in obtaining promotions in the work environment due to having fewer or no opportunities to network with other employees of the organisation. Horwitz et al. (2006) state that managers who require structure and control are unlikely to do well as managers of workers in a virtual setting.

Relinquishing control over employees and affording them more freedom must not detract from the manager's role of mentor and evaluator of daily performance (Morgan, 2004). Managers of virtual teams have to provide more support and positive messages to subordinates than managers in traditional settings (Horwitz et al., 2006).

Townsend and Bennett (2003) describe three areas of change that have the greatest effect on employment law, each of which are part of virtual working arrangements: decentralisation of organisations; increasing dependence on outsourced labour and increasing use of alternative employment relationships. These changes identify the need for specialised policies and support in dealing with establishing and maintaining virtual working arrangements.

Virtual workers must be trained on how to separate work from their private lives, a common problem associated with virtual work (Horwitz et al., 2006). Respondents in the Horwitz et al. (2006) survey commented on how their workdays end up being stretched over longer hours in an attempt to conduct online meetings with workers in foreign countries in different time zones. This stretching of work time could result in disgruntled workers, who then seek to avoid virtual working arrangements in order to prevent extending work time.

Tietze and Musson (2003) state that not only the teleworkers, but other residents in the home need to be prepared and guided on how to integrate paid work into the household. Drawing boundaries around activities and work is the usual way of achieving success in the home when working virtually and this should not be overlooked by organisations or employees (Kowalski & Swanson, 2005; Tietze & Musson, 2003). Personal relationships with family members may become strained when teleworking as the household must adapt to the teleworkers new working arrangement which may have an impact on the entire household in which a teleworkers lives (Kowalski & Swanson, 2005).

Kowalski and Swanson (2005) and O'Brien and Hayden (2007) refute one of the most commonly cited benefits of teleworking, work-life balance, saying that some teleworkers may find problems in balancing work and life that they never had before. Kowalski and Swanson (2005) found that having to address family

responsibilities during work hours resulted in increased stress in almost 70 percent of teleworkers. O'Brien and Hayden (2007) state that increased tensions at home can reduce the psychological and physical well being of workers. This could result in less than the expected benefits and longevity of virtual working arrangements in an organisation if left unattended.

Further challenges of a virtual working arrangement, that may affect consultants or temporary workers, is the level of commitment from employees to the organisation and the actual working arrangement in the long term due the potential flexible nature of employees working contracts (Johnson, 2004). These virtual employees need to be given some incentive to contribute and add tangible value continuously and over the period of the contract to ensure that desired benefits or performances are achieved and that they are sustainable once the temporary workers have completed the contract.

Challenges are present when establishing virtual working arrangements of any kind, as has been discussed above (Kowalski & Swanson, 2005; Morgan, 2004; O'Brien & Hayden, 2007). Organisations are short sighted if they anticipate that they are able to quickly and easily establish virtual working arrangements without conducting the necessary research, planning and developing the business case for this practice. Ensuring that the benefits outweigh the costs and challenges is central to successful implementation and continuity of virtual working arrangements and cannot be achieved if management is not aware of all the aspects that implementing and maintaining virtual working arrangements entail (Shekhar, 2006).

2.4.1 Personnel characteristics

Kepczyk (1999), Allert (2001) and Siha and Monroe (2006) note that recruiting the right people for virtual working arrangements, at the beginning, is essential to any programme's success. Employees need to be able to work in a virtual work arrangement, away from direct management and colleagues and require a good balance of technical and interpersonal skills (Horwitz et al., 2006).

Tietze and Musson (2003) include self-discipline as one of the key personal characteristics of a good virtual worker in order to avoid the possible

distractions that working from home can bring. Gathering information from a colleague is not as easy when working remotely and requires the right type of person, who can deal with these new challenges. Thorne (2005) states that virtual teams have to constantly deal with problems surrounding the sourcing of suitable candidates for virtual teams and integrating them into existing teams can sometimes be problematic. Thorne (2005:600) states that “trust is the defining feature of the virtual corporation”.

Management should not neglect to include generational differences when designing and implementing a teleworking programme. A multi-generational workforce is a reality in the global economy (Dwyer, 2009) and can have an impact on how programmes, policies, reward structures and the technology used are implemented within the organisation to ensure success in a teleworking programme (Macky, Gardner & Forsyth, 2008).

2.4.2 Management involvement

The management of virtual workers requires a shift in management approach to measuring the output and not the process according to Stanford (2003). Managers of virtual teams need to have a strong focus on task and process management unlike during industrialism where the clock and time was used as the instruments of control and co-ordination (Tietze & Musson, 2003). Clear work requirements and a careful balance between virtual and face-to-face meetings needs to be maintained in order to retain the interpersonal balance between employees and management.

Various authors (Allert, 2001; Curseu et al., 2008; Kurland & Egan, 1999; Stanford, 2003) refer to the need to create regular and formal face-to-face discussions over work issues and performance with employees that work remotely. Siha and Monroe (2006) go further and caution the use of emails in trying to address employee problems and or convey criticism, suggesting that some areas of the work relationship must still be addressed in person in order for the correct message to be conveyed to employees. These practices are necessary to retain the relationship and the open communication with employees which is often lost through email and video conferencing.

Horwitz et al. (2006) state that when employees do not meet or operate with other employees in the organisation, vertical relationships may be difficult to form and maintain. Leaders need to be aware of these challenges when virtual workers operate in total isolation and create opportunities for virtual workers to build and develop relationships with co-workers that benefit their operation. Ahmadi et al. (2000) and Curseu et al. (2008) state that one of the biggest challenges to overcome is the dispersed nature of remote working, contributing to feelings of isolation for teleworkers. Building and maintaining trust are also noted as management challenges that require a constant focus (Hughes & Love, 2004; Johnson, 2004; O' Brien & Hayden, 2007).

Heneman and Greenberger, (2002) claim that reward systems should differ between different virtual organisation forms and that this is the only way to maximise performance and organisational benefits from virtual working arrangements. These authors state that further research into the best forms of reward for the different types of virtual workers needs to be conducted as this is still a new organisational form and little theory currently exists to back up current practices. This difference in reward mechanisms would place a new and additional load on the human resources department of the organisation, which must not be left unnoticed or unplanned.

Horwitz et al. (2006) state that effective virtual teams require the following attributes: correct communication technology and high, sustained communication quality; clearly defined employee roles and responsibilities; trust and positive relationships between team members; understanding of different cultures and overall commitment to the organisation. Each of these factors need to be maintained and monitored by management as, should any of these areas deteriorate, it could lead to the downfall of the whole virtual team. Horwitz et al. (2006) also state that the costs of setup, training and maintenance should not be overlooked when establishing a virtual working environment as they may be more expensive than anticipated.

Figure 2.1 below indicates the keys points for the successful start of a virtual working arrangement according to Horwitz et al. (2006).

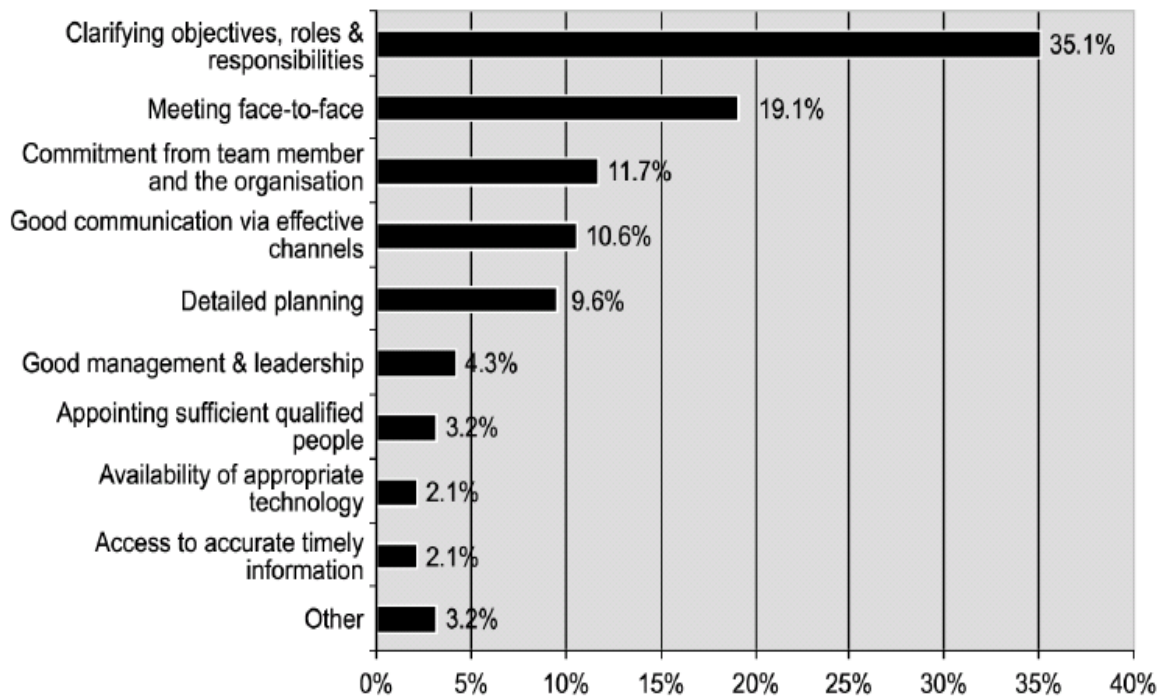


Figure 2.1 Requirement for a successful start of virtual working arrangements. Source: Horwitz, Bravington and Silvis (2006:483).

Figure 2.2 lists the main obstacles to virtual team success according to Horwitz et al (2006), which supports other authors mentioned earlier in the text.

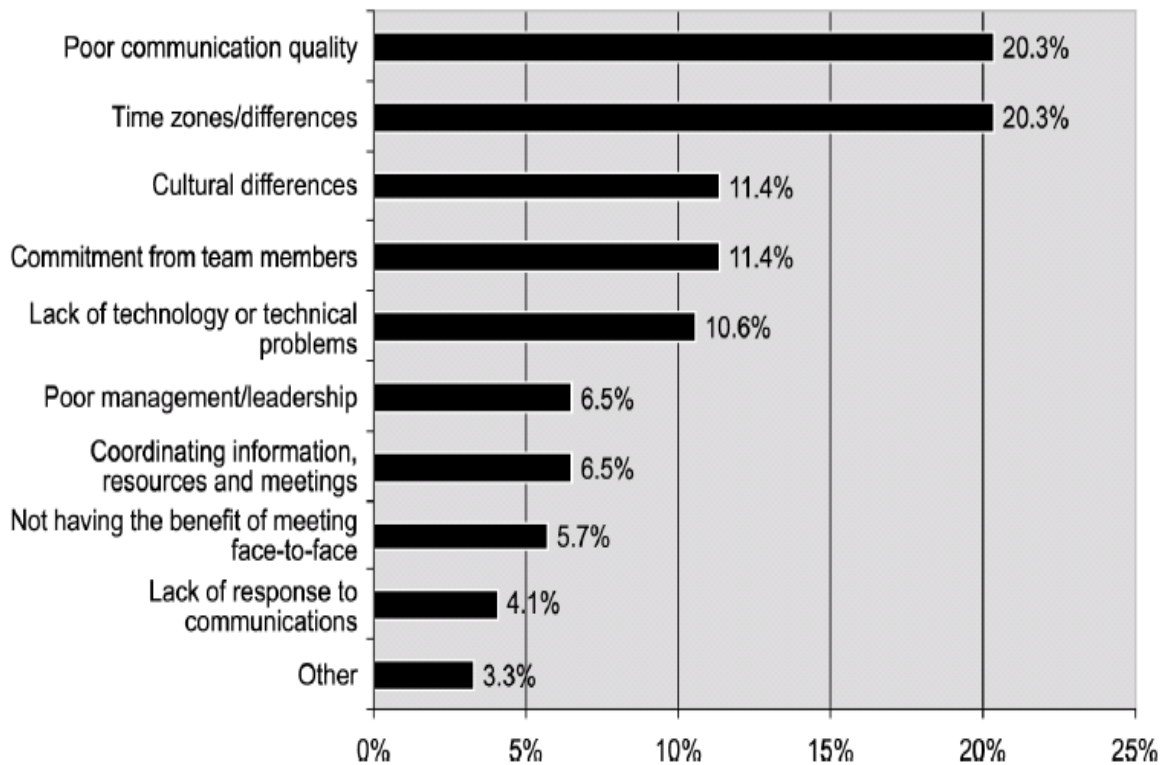


Figure 2.2 Obstacles to virtual team success in virtual working arrangements. Source: Horwitz, Bravington and Silvis (2006:483).

2.5 TECHNOLOGY TO PROMOTE VIRTUAL WORKING ARRANGEMENTS

Boyd (1999) mentions the use of software called CU-See me, which is video conferencing software, allowing for workers in remote locations to have face-to-face conversations. This software can also be used by management to monitor employees and to assist with any problems that may require more attention and discussion than can take place via email or instant messaging.

Bal and Teo (2001) and Watad and Will (2003) mention the use of audio and video conferencing tools for meetings within virtual teams. Real time sharing of data and presentations is now possible whilst being able to see and hear all participants of the meeting (Curseu et al., 2008). Other tools readily available include online chat forums or software such as Google Talk, Skype and Windows Instant Messaging, which allows team members to communicate quickly and easily with anyone in the team, at no cost, in order to resolve issues much faster.

Stanford (2003:7) mentions the use of “Presence Awareness” technology for management to indicate to virtual employees that they are available to discuss issues, while establishing integrated and intensive e-HR platforms that enable virtual employees to resolve HR queries themselves without having to contact HR departments.

Voice over IP, web-based services and reducing telecommunication costs are regarded as technologies that facilitate the virtual worker (Beasty, 2005). Without these technologies, virtual working arrangements can be tedious, costly activities resulting in less interest in this new organisational form. Curseu et al. (2008) state that matching the communications technology to the teams’ unique communication needs is essential to effective operations.

Email and voicemail form the basis of technology used in virtual teams as in traditional organisational settings, with new technologies and software constantly developing to improve communication and give new mediums to do so for the virtual employee (Watad & Will, 2003). Staying in touch with these technological developments should form part of a virtual teams’ responsibilities to ensure that they have the latest technology available to support their operations.

2.6 INFORMATION PROCESSING IN VIRTUAL TEAMS

A large part of interpersonal communication is not what is said, but the tone that is used, the body language and facial expressions used, the pitch of the speaker's voice and how the message is delivered (Sundaram & Webster, 2000). The absence of these elements when communicating virtually, through email or other messaging, can have an important impact on the message that is conveyed. Mann et al. (2000) state that computer mediated communication removes the ability to communicate emotion, an essential part of the communication and understanding process and can bring with it a new set of complications and challenges for teleworkers and management.

Curseu et al. (2008) state that virtual communication has an indirect effect on how virtual teams process information, as the communication medium affects the team's information processing abilities and the way cohesion and trust are developed amongst members. This can cause problems in integrating information with existing information as well as in maintaining the same understanding throughout the team, of a message that has been conveyed electronically (Watah & Will, 2003). Communication and information processing constraints can be overcome through effective leadership of virtual teams, ensuring that all members are fully aware of the current environment and maintain regular, effective communication with one another (Curseu et al., 2008).

Information processing and communication problems may be exacerbated by the dispersed geographical nature of virtual teams who may be stretched across time zones and in different countries, speaking different languages (Hughes & Love, 2004). This results in minimal timeframes where problems can be discussed telephonically with participants to achieve greater clarity, resulting in increased reliance on email communication. It can also result in team members having to wait 24 hours before they are able to continue with a task, as responses may not be immediate (Horwitz et al., 2006). This delay can result in a failure to reach consensus on a topic or to make a decision within the required period, reducing the productivity of virtual teams (Hughes & Love, 2004).

The members of virtual teams need to be empowered to make decisions in their workplace to avoid losing the competitive advantage created by the rapid response of virtual teams according to Horwitz et al. (2006). Creating a shared

understanding between team members of the tasks at hand through face-to-face communication, is an essential part of overcoming information-processing problems according to Curseu et al. (2008). Team exercises become increasingly important to improve the level of common understanding and to reduce some of the negative impacts on individuals that virtual working can impose, with the way teams are managed having an impact on their effectiveness according to Curseu et al. (2008).

2.7 VIRTUAL TEAM CULTURE

Effective management of virtual teams and including these teams as part of the greater organisation requires that the larger organisational culture be developed and maintained within virtual teams (Curseu et al., 2008). Establishing norms and values that form common ground within the virtual team creates greater cohesion and effectiveness from the team (Curseu et al., 2008). Simple norms for processes should be established and developed by managers to create the desired culture within the virtual team, which directs members to perform in a consistent manner (Horwitz et al., 2006). A bureaucratic culture with extensive rules and regulations is well suited to telecommuting arrangements (Siha & Monroe, 2006), while the diverse group of cultures that are present within South Africa creates an additional complexity in managing and maintaining organisational culture for management (Moore, 1999).

O'Brien and Hayden (2007) state that an inability to change the traditional organisational culture and perceptions of a firm can be seen as one of the biggest obstacles to establishing and retaining beneficial virtual working programmes in an organisation. Nandhakumar and Baskerville (2006) state that virtual teams which remain together over long periods are those that exhibit a culture that is able to cope with ever-changing business aspects while exhibiting strong and established working relationships that can withstand pressures over a number of years.

Panteli and Duncan (2004) and Nandhakumar and Baskerville (2006) state that even with globally dispersed virtual team members, face-to-face meetings are necessary to build relationships and trust and to retain team members. According to Mann et al. (2000), virtual workers cannot be left in total isolation and need to

remain part of the greater organisation and have the sense of belonging within a team in order to create successful virtual teams and to retain members. Nandhakumar and Baskerville (2006) also state that occasional face-to-face meetings will resolve many of the misunderstandings that can occur with virtual communication and will aid in effective, long-term virtual communication through the creation of social connections between members. This aspect of virtual working is only applicable to pure virtual workers, as telecommuters would not be faced with the same issues of being separated from team members for long periods due to the nature of teleworking arrangements, where teleworkers, by definition, work from the office at least once a week, maintaining the social connection.

Team building initiatives and social functions appear to be even more vital in pure virtual organisations than in the traditional organisational structure as social connections are minimal and understanding of team members through direct communication is limited (Kowalski & Swanson, 2005). These two factors are critical to the ongoing success of the virtual team. Patrickson (2002) states that telework can be seen as either liberating or enslaving, depending on how the virtual experience takes place for different individuals. Managers need to be aware of this possibility and ensure that the right conditions are put in place and understood, with the correct training, to make the virtual experience as positive as possible for employees according to Ahmadi et al. (2000). The authors also state that mentoring of teleworkers by management is essential to their productivity.

Virtual team leaders need to lead by example with the culture and norms that they seek to establish within virtual teams (O'Brien & Hayden, 2007). Leaders need to identify and deal with conflict and the beginnings of conflict before it becomes a negative element within the team, reducing overall effectiveness and reducing teamwork (Curseu et al., 2008). Virtual teams need to develop internal cohesion and alignment of values, but need to also form part of the greater organisation and fit in with its culture and values in order to be aligned (Horwitz et al., 2006).

Porter and Kakabadse (2006) highlight the addiction to technology and work that can develop in virtual working teams and how employees can end up checking emails 24 hours a day and monitoring business processes constantly. Managers

need to be aware of employees who are susceptible to overworking themselves, who will ultimately burn themselves out and will no longer form an effective part of the virtual team (Porter & Kakabadse, 2005). Managers need to create a culture within virtual teams that balances hard work and life. Tietze and Musson (2003) state that even though traditionally there are questions and debate around the association of commitment to the employer and the number of long hours worked, culturally workers still feel the need to demonstrate commitment through working longer hours and can be particularly vulnerable to this in a virtual environment.

Jackson et al. (2006) state that improved performance from employees in virtual settings can be attributed to higher levels of commitment through strong organisational culture. Culture cannot be ignored when developing virtual teams, having a strong, positive corporate culture is noted as a critical component to the transition to virtual working, with a culture change identified as a way to improve work effectiveness within the organisation (Jackson et al., 2006). The sense of belonging and pride that workers experience as part of a large organisation is difficult to retain in the long term with virtual workers. Managers need to focus on developing and maintaining these cultural elements to ensure success and to retain employees (Jackson, 2006). The strength of organisational identification and association is critical to the successful management of virtual workers and understanding the employee's need for affiliation and social support is key, influenced by the culture of the organisation (Wiesenfeld, Raghuram & Garud, 2001).

Akkirman and Harris (2005) state that the successful implementation of virtual teams in an organisation may result from the specialised and on-going training that this group receives due to the nature of the team. The authors also note that success of virtual teams may result from the special attention and focus given by management to the development and success of the team and better design of the virtual office with modern techniques, technology and understanding. Success of virtual teams may not be as a result of a superior culture or communication within the organisation alone (Akkirman & Harris, 2005).

Conner (2003) highlights, as a possible obstacle, the lack of referent others that exist for a virtual worker to benchmark or compare his/her performance and

progress against. This can result in weaker performance because of not being exposed to positive peer pressure, as well as increased feelings of isolation for virtual workers. A strong organisational culture, retaining and including virtual workers as part of that culture, will assist in reducing these feelings, while establishing good mentors can also overcome these issues (Ahmadi et al., 2000, Watad & Will, 2003). Equity theory, a highly recognised comparison theory (Conner, 2003), states that if employees do have a referent other who they perceive to be receiving greater benefits or compensation from the company, they may either experience lower levels of job satisfaction or increase their performance and activities to try and achieve the same benefits as the referent other. Managers of virtual teams should remain aware of this phenomenon and the impact it may have on virtual working teams.

While virtual working arrangements may physically remove employees from the organisation, processes to retain and include these virtual workers in the culture of the organisation need to be established and maintained in order to achieve long-term success. Management must be aware of these factors and not leave organisational culture in virtual arrangements to deteriorate or disappear altogether, resulting in the breakdown of the virtual teams.

2.8 THE EFFECT OF VIRTUAL TEAMS ON PHYSICAL STRUCTURE

One of the major cited benefits regarding the adoption of virtual working arrangements is the cost reduction on office space (Mann, Varey & Button, 2000; Martinez-Sanchez et al., 2007; O'Brien & Hayden, 2007; Wilsker, 2008). This new flexibility in employees requires new flexibility in office space. However, this flexibility is not without its own set of costs (Gibson, 2003).

New design and layouts of the building and offices can supply a level of flexibility to the organisation, changing from cellular to open plan or grouping similar individuals together in an office space (Singh & Sharma, 2006). Traditional office setups are not conducive to teamwork and team building and discourage frequent communication between employees (Gibson, 2003).

Gibson (2003), states that a one sided view of how office space will be set up is not conducive to the entire organisation and how it functions and definitely not to

virtual working arrangements. Office design for different departments may need to differ to be the most conducive to the working environment of the particular department. Creating purpose environments, where employees can move between different office setups to fulfil different functions at any given point in time may create better results and a happier workforce (Gisbon, 2003).

Leasing of office space allows an organisation to manipulate its position more frequently and easily than with owned office space, although leasing may be more costly per square meter (Wilsker, 2008). Organisations that own all of their office space may consider leasing part of it to outside companies as it becomes available through changing the design of the business or its processes to include virtual workers (Gibson, 2003). Ultimately, changing office space frequently will incur costs and inconvenience that may erode some of the benefits of virtual working arrangements, meaning that any changes need to be carefully planned and maintained.

2.9 DESIGNING VIRTUAL WORKING TEAMS

According to Thorne (2005), there are no clear guidelines for developing virtual working teams that indicate how best to deal with strategy, information systems and accounting practices of virtual teams. Most advice relates to once-off team setup and not to long term sustainable virtual work teams.

According to Kowalski and Swanson (2005), benchmarking is a well-documented and prevalent tool used by organisations to determine how they are performing compared to other organisations and can be used in designing and developing new organisational forms. Virtual working arrangements are no different (Kowalski & Swanson, 2005). Benchmarking not only the outcomes that are achieved but also the processes employed in setting up virtual working arrangements and in maintaining them is the key to success (Bal and Teo, 2001; Kowalski & Swanson, 2005; Morgan, 2004).

Patrickson (2002) states that most virtual workers do not start out as part of a virtual team but work in supervised conditions prior to joining a virtual team. This allows management to assess the individual's suitability to the virtual working environment and organisational culture fit. Patrickson (2002) does state, however,

there is nothing preventing individuals who have a proven record of working in virtual teams from moving into a new organisation and directly into a virtual team.

Establishing a virtual team within an organisation may assist in developing and growing other sectors of the organisation and does not require that the whole organisation become virtual (Morgan, 2004). This is not always appropriate to the organisation type. Some form of virtuality may bring the slight competitive edge that is necessary for a department or an organisation to improve performance and outperform its competitors. Meadows (2007) states that a strong business case is the first step in establishing a teleworking programme and having senior management commitment, who are largely part of the baby boomers generation that started working prior to large-scale use of computers and information technology, is essential when developing and implementing virtual working arrangements.

Thorne (2005) states that when designing virtual teams, leaders need to remain conscious of a major concern for virtual workers, who may only form part of a virtual team temporarily. Virtual workers can be under constant pressure to source and secure their next employment opportunities, much like contractors or consultants, which can distract them from current projects. Watad and Will (2003) state that formal telecommuting programmes require careful planning and have an impact on the overall company, requiring changes to many organisational policies and dimensions. The impact on existing employees and processes should not be overlooked.

Kowalski and Swanson (2005) state that there are three areas to be considered in order to make a virtual team a success. The first is support, which needs to come from all areas of management, but importantly it must come from the highest levels of the organisation. Support in terms of technology and the necessary tools, training and direct supervisor encouragement, all promote success in virtual settings. Second is communication, which becomes more complicated with the dispersed nature of work and with new communication skills necessary to make the arrangement work. Formal communication is required in a documented policy on telework and the responsibilities of all parties involved. The final area is trust, necessary at all levels and across all relationships in virtual working

arrangements and one that needs to be supported by the culture of the organisation. All three areas are interlinked and need to work together in order to achieve success.

Bal and Teo (2001) state that designing and building a virtual team should be considered a business project rather than an IT project. This is defined and supported through the methodology that Bal and Teo (2001) have developed, where only one step of the process is an IT function, the remainder of the steps revolve around the business, its processes, people and functioning.

Bal and Teo (2001) offer a comprehensive strategy for designing and implementing a virtual working team which can be customised to the specific organisation. Following these steps could assist organisations in ensuring that they have considered the necessary areas required for successful implementation and will assist in ensuring its long-term continuity.

1. Cost benefit justification – presenting the benefits to top management in order to gain their commitment to the project;
2. Readiness assessment – assessing the readiness of the company to adopt a new form of working, the culture, technology, code of conduct and attitudes present;
3. Bring senior management on board – involving senior management on the project and having them on board with the process;
4. Bring collaborative partners on board – ensuring that partners and suppliers are supportive and able to change with the new methodology;
5. Examine existing process and evaluate changes – evaluating current processes and identifying which processes need to be changed;
6. Evaluate and specify technology and location – ensuring that the correct technology is selected to facilitate virtual working as well as the positioning of this equipment in the office environment;
7. Redesign appropriate business processes – ensuring that the virtual team's processes are aligned with the businesses processes;
8. Redesign security measures – designing the security around remote connectivity and communication of information and data;

9. Redesign meeting structure – designing a process to follow when conducting virtual meetings to ensure effective and efficient meetings;
10. Redesign the reward strategy and performance measurement principles – designing how performance and rewards will be measured in the new work environment;
11. Implement new performance monitoring and management scheme – bringing performance measurement closer to the virtual team and ensuring that everyone is aware of how it functions and who is responsible;
12. Specify objectives – specifying the objectives of the team, why it was formed and the results expected from the team to create a shared vision amongst members;
13. Assess available human resources – accessing the current and available personal within and outside the company who may form part of the virtual team;
14. Identify virtual team members – identifying appropriate members to form the virtual team, with the right competencies and personal characteristics;
15. Identify responsibility for each team member - identifying specific goals and objectives of each individual in the team;
16. Train key personnel – training cannot be neglected and is unique for employees working in virtual work environments;
17. Team facilitation – identifying team leaders, their goals and the tools that they will use to grow and maintain the team;
18. Continuous documentation throughout the project – documenting the processes followed, completed and the way forward for future projects;
19. Project handover – handing over the documentation for safe storage and for future projects must be completed.
20. Loss in performance – Prepare for a loss in performance as all virtual teams take time to establish themselves and will reduce their current performance through certain stages of team development; this is not unusual.

Akkirman and Harris (2005) have a simpler and shorter five-step plan for implementing virtual operations successfully:

1. Establish information technology and network infrastructure while provide ongoing training to workers in the use of business systems;

2. Modify existing organisational structures to be a process-based organisation which allows employees to work through an entire process from start to end;
3. Institute management-by-results measurement standards;
4. Move to a digital format where information is easily accessible by all employees at any time and from anywhere;
5. Establish the virtual office and select the departments and employees to form the virtual office.

Siha and Monroe (2006) present a simple model for telecommuting success and the areas that need to be considered by organisations. Figure 2.3 below outlines the areas needed for successful implementation and the benefits that can be gained from implementing a telecommuting arrangement.

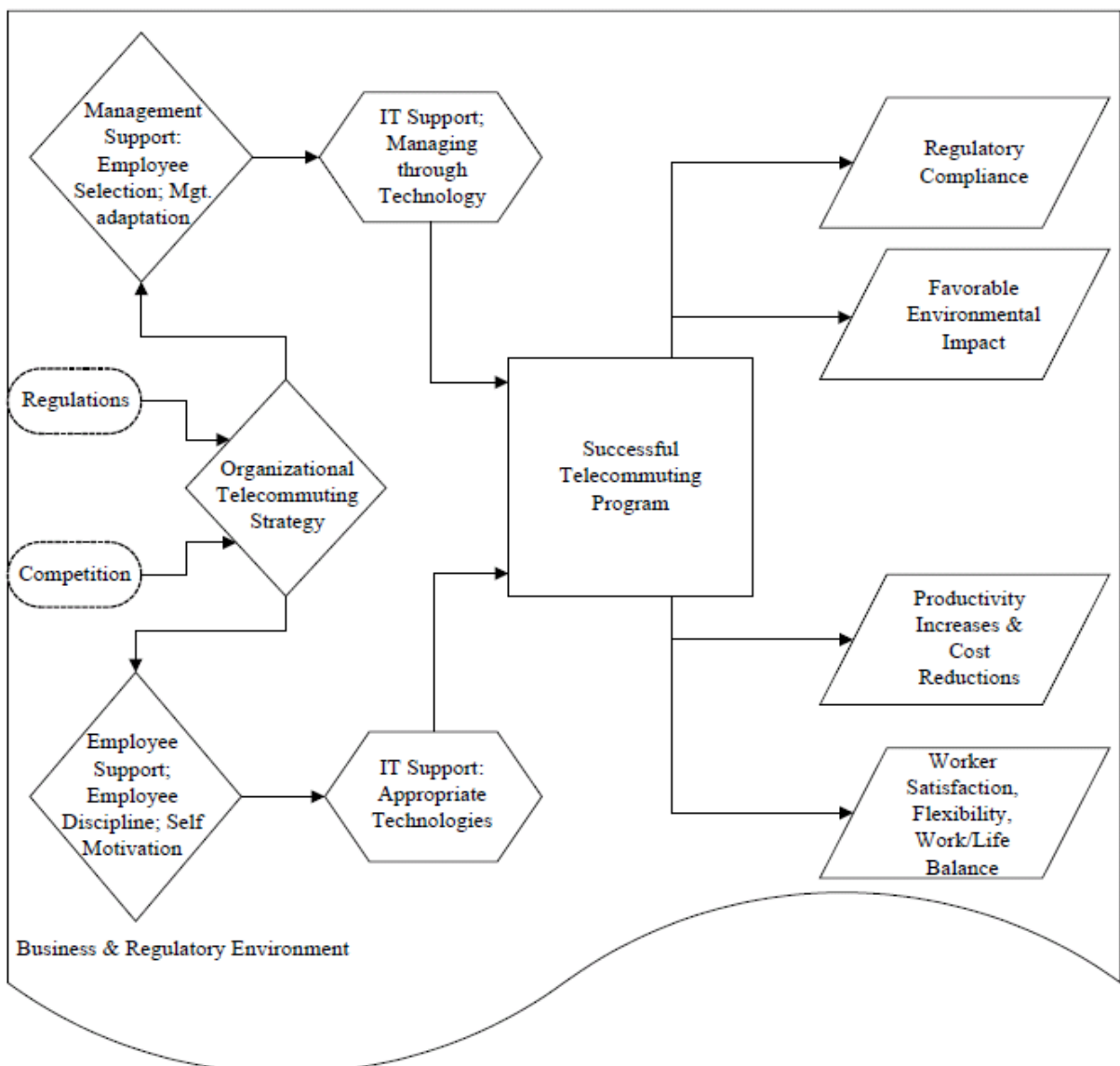


Figure 2.3 Telecommuting success model
 Source: Siha and Monroe (2006:472)

Panteli and Duncan (2004) and Meadows (2007) state the express need for formal telework agreements with workers, to ensure that all requirements and responsibilities are clearly outlined to prevent problems later in the arrangement.

The following are areas that should be considered as part of the agreements according to Meadows (2007):

- Detailing the scope and responsibilities of the work to be undertaken;
- Detailing how will the manager will know that the employee is at work;
- Detailing how will the manager will know that the employee is completing the necessary work;
- Detailing which technologies will be used to maintain contact;
- Detailing what the weekly and monthly telework schedules are;
- Detailing how a telework arrangement can be terminated, if necessary, without terminating the work contract completely;
- Detailing the equipment provided to the employee and its ownership.

No single process has been developed to ensure that the initiation and implementation of virtual working arrangements are successful (Morgan, 2004; Thorne, 2005). This could be attributed to the fact that each organisation is different and the process that must be followed is different for every organisation. The guidelines to successfully implementing a virtual working arrangement discussed above can, at the very least, guide organisations in establishing virtual working arrangements.

2.10 CHANGE MANAGEMENT

Organisational change is a long process and should be well planned and thought-out prior to any change initiation within the organisation (Diefenbach, 2007; Smith, 2005). Establishing the willingness and readiness of the organisation and its employees to accept change should be established early on in the change management process, as it will have an impact on how and what change can and will be implemented (Meyer, Srinivas, Lal & Topolnytsky, 2007).

Change is seldom met without any resistance, with the following as potential reasons for this resistance according to Smith (2005): change involves moving

from the current to a somewhat unknown state; employees are required to take up new ways of completing tasks; employees may not fully understand the change and the need for the change resulting in resistance. Washington and Hacker (2005) add the loss of control that occurs with change, as another factor that contributes to resistance to the change. Management needs to be aware of these factors and others when implementing change and teleworking in particular, as it requires multiple changes from employees, both at work and at home in order to achieve success. Guiding employees through the process, with open communication will assist in the success of the change initiative and limit the resistance to the change.

Watad and Will (2003) state that potential virtual team members may have to be convinced of the benefits that will be derived from a shift to virtual working. Managers should not underestimate the amount of resistance to change that may be experienced and is dependant on the type and strength of the organisational culture (Ahmadi et al., 2000; Morgan, 2004). Shifting employee views should be viewed as being as important as meeting with middle and senior management to obtain their commitment and backing for a virtual project (O'Brien & Hayden, 2007).

Change will have to be managed with both the employees that are moving into telework arrangements and those who are remaining in the traditional office environment. The latter, too, will have to change and develop new ways of communicating with those colleagues who are now working from remote locations and who may be required to perform additional functions (Ahmadi et al., 2000).

Chrusciel and Field (2006) include, amongst other things, the following as key factors to creating successful change: evaluating the gap of where the organisation is currently and where it would like to be after the change; detailed, active and visible management of the entire change process; communication of the change process; and communication of the implications of the change process for the organisation and its employees.

Vakola and Wilson (2004) indicate the following areas as essential success factors in dealing with the constant change of virtual organisations: information

sharing which supports and improves business processes; organisational culture and team-working which play a vital role in the development and on-going success of virtual teams; acceptance of change with the ability to plan and coordinate change; and training in business processes, technology and available tools to develop and maintain virtual teams.

Implementing virtual working arrangements involves many changes in the organisation, how it operates, communicates and how employees function. These changes need to be understood and planned to ensure that the resistance to change does not prevent the successful implementation of the virtual working arrangement.

2.11 RESEARCH QUESTION

The overriding research question identified through the literature review and which will be answered through the study is:

- What are the employee benefits and challenges experienced by teleworkers in the services industry in South Africa?

2.12 CONCLUSION

Many alternatives and advantages have been described in the literature for making use of virtual working arrangements. Internationally, virtual working has been a common practice for some time, but in South Africa, that is not the case and minimal literature is available on virtual working arrangements specific to the South African context.

In order to remain competitive and to enjoy the benefits of this type of organisational structure or practice, South African businesses need to familiarise themselves with the possibilities available to them. Engaging with employees on this level has numerous benefits, from which it is suggested, more South African organisations could benefit. South African organisations have limited exposure to telecommuting through possibly not knowing the options available and how to implement them.

The different types of virtual organisations face various challenges and benefits. A clear understanding of the organisation, how it functions and the benefits sought from a virtual team, department or organisation need to be clearly outlined and established prior to deciding on the virtual organisation type to develop. Many challenges need to be overcome and understood prior to the development of a virtual team, but the potential benefits, if well managed and maintained, can outweigh these challenges.

Watson-Manheim et al. (2002) conclude that although the international literature on virtual working arrangements has increased significantly, the field is not yet converging and is still unclear. These authors suggest that it is time for researchers to start addressing more specific issues and precise arrangements rather than researching the generic 'whole' of virtual working. It is with this in mind that the researcher has chosen to research the current topic.

CHAPTER THREE - RESEARCH METHODOLOGY

3.1 INTRODUCTION

The primary objective of the study was to determine the presence of the employee benefits and challenges of teleworking as identified in the literature (Akkirman & Harris, 2005; Curseu et al., 2008; Horwitz et al., 2006; Ilozor & Ilozor, 2002; Johnson, 2004; Kowalski & Swanson, 2005; Lim & Teo, 2000; Siha & Monroe, 2006; Tietze & Musson, 2003) as well as to identify any unique elements of telework arrangements in the services industry in South Africa.

Chapter Three covers the research methodology used in the study, detailing the research approach, research design elements, data analysis as well the ethical considerations taken into account during the study.

3.2 RESEARCH APPROACH

Business research is conducted in order to provide information that reduces uncertainty while descriptive research uses established knowledge of the field as the basis and guideline of the new research (Zikmund, 2003). Both of these elements were central to the study. The present study, including features from Figure 3.1 below, involved descriptive research and opinion-related research, both quantitative and qualitative, to determine the perceptions of the sample in relation to the research topic.

The findings provide information to South African businesses of the benefits and challenges of teleworking and what can be expected of local arrangements to assist local organisations in developing their own mutually beneficial teleworking programmes. Teleworking in this study refers to employees of an organisation, who work from home on an agreed upon basis, at least one day every week, but not five days a week, while still maintaining a regular desk space at an office of the organisation (Helms and Raiszadeh, 2002).

The ultimate purpose of the research process was to merge the available information and the information gained from the research process, to develop a better understanding of the employee benefits and challenges that can be expected from implementing a teleworking programme in South Africa. This may provide South African organisations with a basis upon which to design and

implement telework arrangements and an understanding of what both parties in the arrangement can expect.

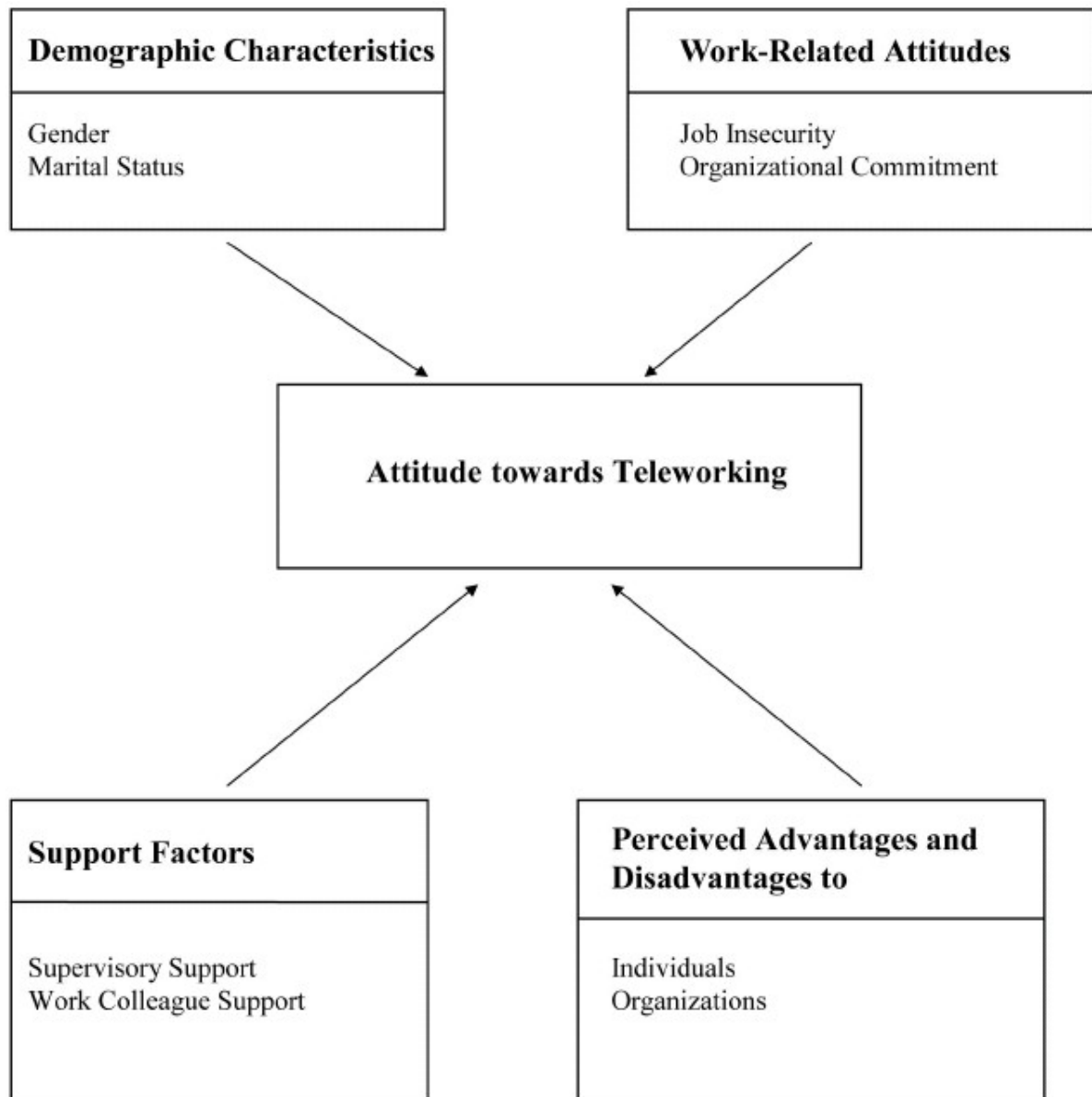


Figure 3.1 Research model for telework arrangements

Source: Lim and Teo (2000:563)

3.3 RESEARCH DESIGN

3.3.1 Research population

The population from which the sample was derived is all organisations within South Africa that operate in the services industry with an existing form of teleworking arrangement. The services industry is one of the best-positioned industries to benefit from virtual working arrangements due to the type of work and existing structures that services organisations have (Siha & Monroe,

2006). For this reason, the services industry was chosen for the study. The total number of teleworkers in South Africa and hence in the services industry is unknown at this time and the researcher was accordingly not able to determine the exact number of the current teleworking population in South Africa.

3.3.2 Sample and sampling methodology

The sample chosen was a non-probability convenience sample of four South African organisations that operate in the services industry, each in a different sector. The first participating organisation was a large cellular telecommunication organisation, while the other three organisations were all in the financial sector. Each organisation chosen had some form of telecommuting working arrangement active within the organisation or within a particular department within the organisation. The entire teleworking population from each organisation or department was researched, with those respondents who returned the questionnaire comprising the sample for the study.

It is important for the researcher to understand the different perspectives of the respondents and to receive data from respondents that are at different levels within the organisation for the research questions to be answered accurately and thoroughly and to ensure that the study is complete. This assisted in producing findings that were valid and took cognisance of a variety of views and experiences on the topic. Management may have differing views of the benefits and challenges that are faced when telecommuting, compared to employees within the organisation (Shekhar, 2006) and for this reason, respondents were not limited to lower level employees. The study was cross sectional and addressed current perceptions and practices and not the possible changing beliefs over time regarding the research topic (Zikmund, 2003).

In total, 94 questionnaires were sent to the first three organisations, with 71 completed questionnaires returned to the researcher, giving a response rate of 75.5 percent. A fourth organisation was later identified and 211 questionnaires were sent out to this group, with 26 completed questionnaires returned, giving

a response rate of 12 percent for this fourth organisation and reducing the total response rate to 31.8 percent. The researcher reviewed the data returned between the first three organisations and the fourth organisation to determine if there were any major differences between the responding groups that may exclude them and that may account for the poor response rate.

The grouped responses, after reviewing the frequency distribution results, indicated a meaningful difference between the first three organisations and the fourth organisation. The researcher decided not to analyse this fourth group's data any further as it may have skewed the findings of the study. The most notable and important difference identified was the number of days that the respondents teleworked on average in this fourth organisation. This further identified the fourth organisation's respondents as closer to pure virtual workers than teleworkers, making them inappropriate for this study and inconsistent with the first three organisation's respondents.

Eight completed questionnaires, obtained from the group of respondents from the first three organisations, had to be removed from the data prior to statistical analysis due to the respondents indicating that they do not work from home at least one day each week or that they work from home everyday each week. These respondents do not meet the requirements of the definition of teleworkers, where an employee has a desk or office at the organisation but is able to work from home on an agreed upon basis, a few days a week (Helms & Raiszadeh, 2002).

3.3.3 Research instrument

Perceptions, insights and experiences regarding the research subject were obtained from respondents through a qualitative and quantitative research questionnaire that was utilised as the primary data collection method (Wrenn, Loudon & Stevens, 2001). Using the available international literature as a basis, questions were constructed to answer the research objectives, to create a broader understanding of teleworking arrangements and their benefits and challenges within the South African context (Siha & Monroe, 2006). (See Appendix A)

Prior to the questionnaires reaching respondents, senior management of the different organisations were able to view the questionnaire to ensure that the questions presented to the respondents created no challenges to organisational boundaries and policies. This ensured that management of the organisations would raise no objections regarding the questionnaire during data collection, resulting in the responses from any particular organisation having to be abandoned.

The questionnaire commenced with basic demographic requirements and then required respondents to indicate the timeframe that they have been involved in teleworking arrangements. This allowed the researcher to eliminate respondents who incorrectly formed part of the sample, due to having no experience in the field under investigation. This section of the questionnaire allowed the researcher to identify the profile of teleworkers in the services industry and to complete cross comparisons between the responses and the profile of telecommuters to identify distinctive characteristics that may present unique findings.

The funnel technique was used to initially ask questions that are more general to each respondent, allowing the researcher to gain some knowledge relating to each of the respondents and to begin to categorise the answers and respondents (Stokes & Wilson, 2006; Zikmund, 2003). After the general questions, more specific questions relating to the research objectives were presented to the respondents.

An attitude-scale, with set fixed alternative questions using simple-dichotomy, frequency-determination and dichotomous-alternative questions was used in part of the questionnaire where the researcher required specific differentiation between particular alternatives using structured questions (Zikmund, 2003). A 5-point Likert scale was also used to determine respondents' perceptions on a range of issues (Grover & Vriens, 2006).

The possible responses to questions presented in the questionnaire may not have contained all potential responses from respondents, but are based on international literature on the research topic, including in particular the works

of Kepczyk (1999), Ilozor and Ilozor (2002) and Siha and Monroe (2006) and the research model of Lim and Teo (2000) shown in Figure 3.1 above. The option of 'other' was made available to respondents on applicable questions where the researcher determined alternative answers to those presented might be possible from respondents.

The questionnaire concluded with selected open-ended questions that assisted the researcher in gathering further and new information on the research topic from respondents (Grover & Vriens, 2006).

3.3.4 Data collection and analysis

The questionnaire was sent electronically to the three organisations and to all the respondents within the population with differing exposures to teleworking arrangements. The responses received were edited, coded and collated into a suitable format for statistical analysis. The results of the analysis were utilised to gain primary data on teleworking arrangements specific to South Africa for the study.

Various statistical techniques were utilised to analyse the data. All the tests were non-parametric tests and included frequency and mean distribution; cross tabulation using Pearson Chi-square; correlation using the Spearman test; Kruskal-Wallis ranked values, Mann-Whitney ranked values and ANOVA techniques to identify common trends, correlations, associations and interdependencies between different variables within the data. The data from the open-ended questions was analysed separately from the other data using content analysis through systematic and objective observation of the responses received (Babbie & Mouton, 2001) to identify common trends and thoughts. These trends were then compared to those trends identified in the literature to establish commonalities. Answers to the research questions and objectives were derived from the summarised data and are presented as findings from the research in Chapter Four.

3.3.5 Data validity and reliability

Prior to the sample being contacted, pre-testing of the questionnaire was completed with a group of respondents separate to the four organisations

identified above, also within the services industry which operate some form of teleworking arrangement. This process ensured that the researcher was fully prepared for the data collection phase and tested the design and layout of the questionnaire to ensure that question flow and construction was optimal for data collection (Reynolds, Diamantopoulos & Schegelmilch, 1993; Zikmund, 2003). Identifying potential ambiguous questions, misleading questions and those that are difficult to understand was part of the pre-test process. The researcher interviewed the five pre-test respondents to understand the problems identified during answering the questionnaire, to allow further changes to be made to the questionnaire before submission to the participating organisations.

During the pre-testing process, the researcher attempted to identify potential biases that may be caused by the ordering of the questions. With attitude scales, it is possible for respondents to skew the results of the survey by referring back to the first question in the research while answering the remaining questions that may affect the answers given later on (Zikmund, 2003). Careful consideration of the sequence of the questions took place during the pre-testing of the questionnaire, where problems were identified and the questionnaire re-organised.

Prior to the analysis and collation of the data, the researcher ensured that there were no obvious mistakes and conflicting answers to the questionnaire that would skew or return negative results from the statistical analysis. Questionnaire responses that identified the respondent as outside of the target sample were removed from the total data and were not analysed. Specific questions within a questionnaire that were not answered correctly or that were left blank were excluded from the analysis to prevent these answers from negatively affecting the results of the research.

During the statistical analysis, specific tests were conducted to measure the validity of the sample. This was done through analysing the sample's responses to questions which have an expected outcome and if different from the expected result could indicate problems with the validity of the sample.

As part of the final stage of analysing and interpreting the data, ten of the respondents from the sample were contacted to verify selected answers given to a particular number of questions within the questionnaire. This was undertaken in an attempt to verify the data collected and to verify the reliability of the answers given on the questionnaire, testing to confirm if the same answers are given to the selected questions for the second time.

3.4 ETHICAL CONSIDERATIONS

Ethical considerations remained a focus during the research process. Permission to send questionnaires to the employees of the organisation was sought in writing from each organisation, prior to the research taking place. The nature and purpose of the research was disclosed prior to the respondents receiving the questionnaire, while all respondents were afforded the opportunity of refusing to participate in the study, to stop midway during the answering of the questionnaire if they felt it necessary and were assured of complete confidentiality.

Confidentiality declarations formed part of the questionnaire and respondents were invited to indicate if they wanted to receive a copy of the completed study. Organisation names are not identified in any part of the study, as this was one of the requirements from each of the responding organisations before agreement to participate was reached. No misleading or prejudicial questions formed part of the questionnaire and questionnaires were approved by the management of the organisation prior to the questionnaires being submitted to the respondents for completion.

CHAPTER FOUR – PRESENTATION OF FINDINGS

4.1 INTRODUCTION

The research results are presented in four separate sections. The first section presents statistics which determined the validity of the sample. The second section presents a descriptive analysis while the third section covers findings identified as statistically significant. The fourth section presents the common trends identified in the responses to the open-ended questions after content analysis was completed.

4.2 STATISTICAL VALIDITY OF SAMPLE

When determining the validity of the sample, statistical tests are conducted to ensure that certain characteristics of the sample meet with the expected results of the greater population and society. Some of these tests with statistical significance and relevance to the study are shown below.

Table 4.1 Variables indicating the validity of the sample

<u>Variables</u>	<u>Spearman</u>	<u>p-</u>
	<u>χ^2</u>	<u>Value</u>
Length of service and duration of teleworking at current organisation	0.722	0.000
Age and length of service at current organisation	0.473	0.000
Age and duration of teleworking at current organisation	0.453	0.000
Length of service and current level in the organisation	0.346	0.005
Age and duration of teleworking in total working life	0.320	0.011
Age and current level within the organisation	0.247	0.051
<u>Variables</u>	<u>Pearson χ^2</u>	<u>p-</u>
		<u>Value</u>
Level in the organisation and duration of teleworking at current organisation	13.925	0.008
Level in the organisation and duration of teleworking in total working life	17.564	0.002

A significant positive correlation was found between the length of service and the duration of teleworking at the current organisation of respondents ($\chi^2 = 0.722$, $p = 0.000$), with respondents who have worked at the organisation for longer periods generally having been teleworking for longer periods. A significant positive correlation was found between the length of service at the current organisation ($\chi^2 = 0.473$, $p = 0.000$), the duration of teleworking ($\chi^2 = 0.453$, $p = 0.000$) and the age of the respondents, which indicated that as respondent's ages increase, so

do their length of service and the duration of teleworking at their current organisation.

A significant positive correlation was found between the duration of teleworking in total working life ($\chi^2 = 0.320$, $p = 0.011$), the current level of management ($\chi^2 = 0.247$, $p = 0.051$) and the age of respondents, although it is not as significant as the duration of teleworking in the current organisation.

A significant positive correlation was found between the length of service and the current level of management within the organisation ($\chi^2 = 0.346$, $p = 0.005$), with respondents who have been working at the organisation for longer periods having indicated higher management positions within the organisation. A significant association was found between the level in the organisation and the duration of teleworking at the current organisation ($\chi^2 = 13.925$, $p = 0.008$), with respondents higher in the organisation having indicated that they have teleworked for longer periods. A significant association was found between the level in the organisation and the duration of teleworking in total working life ($\chi^2 = 17.564$, $p = 0.002$), with more senior respondents having indicated that they teleworked for longer periods than lower level respondents.

Each of these positive correlations that were found using the Spearman test of correlation and Pearson Chi-Square test are the expected results within the population and prove the validity of the sample used for the research.

4.3 DESCRIPTIVE FINDINGS

Before completing the frequency analysis, the variables of the questionnaire were recoded in order to group the responses appropriately and to present findings in a more concise manner.

4.3.1 Demographics of sample

The sample comprised 34 males (54 percent) and 29 females (46 percent) with 21 respondents (33.33 percent) between the ages of 23 and 34 years, 24 respondents (38.1 percent) between the ages of 35 and 40 years and 18 respondents (28.6 percent) over the age of 41 years. Eight respondents (12.7 percent) were single or divorced while 55 respondents (87.3 percent) were

married or cohabitating. Nine respondents (14.3 percent) indicated that they were black¹, 53 respondents (84.1 percent) indicated their ethnicity to be white and one respondent (1.6 percent) chose not to complete this question. One respondent (1.6 percent) indicated having some form of permanent physical disability, with the remaining 61 respondents (96.8 percent) having indicated no physical disabilities and one respondent (1.6 percent) chose not to answer this question.

Twelve respondents (19 percent) indicated that they had a matric qualification only, 25 respondents (39.7 percent) indicated a post matric diploma or certificate and 26 respondents (41.3 percent) indicated that they had obtained a degree after matriculating. The level of management occupied by respondents was indicated as senior management by 18 (28.6 percent) respondents, 22 (34.9 percent) lower or middle management and 23 (36.5 percent) respondents do not form part of the management of their organisation.

Respondents with no dependents living at home with them totalled 18 (28.6 percent), 17 respondents (27 percent) indicated one dependent, 15 respondents (23.8 percent) indicated two dependents, while 13 respondents (20.6 percent) indicated having three or more dependents at home.

The majority of respondents indicated that employees did not place pressure on the organisation to start a teleworking programme, with 41 respondents (65.1 percent) having said no pressure was placed on the organisation, 21 (33.3 percent) said that employees placed pressure on the organisation and one respondent (1.6 percent) chose not to answer this question. The majority of respondents (58 respondents, 92.1 percent) also indicated that no additional items such as home office allowance or equipment allowance had been added to their salary structure since starting teleworking; with only five respondents (7.9 percent) having indicated that items specific to teleworking had been added to their salary structure.

Regular use of the telephone for business purposes was indicated by 39 respondents (61.9 percent) while 24 respondents (38.1 percent) indicated that

¹ As defined in the Employment Equity Act, black is a generic term which means Africans, Coloureds and Indians.
(Employment Equity Act No. 55, Republic of South Africa)

they rarely used the telephone for business purposes. All respondents indicated that they made regular use of email for business with 44 respondents (69.8 percent) indicating that they never utilise fax facilities, 17 respondents (27 percent) indicated they rarely use fax facilities and two respondents (3.2 percent) indicated that they regularly use fax facilities for business purposes.

Video conferencing was never used by 39 respondents (61.9 percent), 17 respondents (27 percent) indicated they rarely utilised video conferencing with seven respondents having indicated regular use of video conferencing. Voice-over-IP technology was never used by 28 respondents (44.4 percent), 16 respondents (25.4 percent) seldom made use of VOIP and 19 respondents (30.2 percent) regularly made use of VOIP. Web-based technologies were regularly used by 38 respondents (60.3 percent), while 17 respondents (27 percent) never made use of web-based technologies and eight respondents (12.7 percent) rarely utilised web-based technologies. On-line chat forums are never used by 22 respondents (34.9 percent), five respondents (7.9 percent) rarely made use of on-line chat forums while 36 respondents (57.1 percent) regularly made use of on-line chat forums to conduct business.

4.3.2 Teleworking experience

Respondents who have worked at their current organisation for less than two years were recorded as 21 respondents (33.3 percent), 15 respondents (23.8 percent) indicated between two and four years of service with the remaining 27 respondents (42.9 percent) having indicated four or more years of service at their current organisations. During this period at their current organisations, 42 respondents (66.7 percent) indicated that they had been teleworking for less than two years, 11 respondents (17.5 percent) had teleworked for between two and four years and ten respondents (15.9 percent) had been teleworking for four or more years at their current organisation. Respondents who indicated that in their entire working life, they had teleworked for less than two years totalled 37 respondents (58.7 percent), with ten respondents (15.9 percent) indicating between two and four years while 15 respondents (23.8 percent) indicated teleworking for four years or more in their careers.

The average number of days worked at home each week was indicated as follows by the respondents: 15 respondents (23.8 percent) worked one day; 14 respondents (22.2 percent) worked two days; 33 respondents (52.4 percent) worked three days and one respondent (1.6 percent) worked four days a week from home on average. The desire to work from home more than they currently do was recorded by 36 respondents (57.1 percent); 26 respondents (41.3 percent) indicated that they would not like to work from home more than what they current do and one respondent (1.6 percent) did not respond to this question. Daily work constantly changes for 40 respondents (63.5 percent) whilst 17 respondents (27 percent) indicated that their work is mainly repetitive with six respondents (9.5 percent) choosing not to complete this question.

4.3.3 Teleworking benefits

Respondents were requested to indicate their perception of the most commonly identified benefits of teleworking drawn from the literature reviewed.

Table 4.2 Benefits of teleworking

BENEFITS	Number of Respondents		
	Limited or no extent	Neutral	Large or great extent
Experience a greater loyalty to the organisation	7	10	45
Experience a greater flexibility in work arrangement	4	6	53
Experience an increase in morale	4	14	45
Experience an increase in job satisfaction	6	5	52
Experience an improved work-life balance	9	6	47
Experience less distraction at home than at work during working hours	4	5	54
Experience a decrease in stress levels	9	14	39
Experience an increase in the time I spend with family	11	23	29
Experience a reduction in monthly expenses	15	16	32
Experience a decrease in sick days as a teleworker	13	21	29
Experience an improved productivity when working at home	1	8	53
Experience an increased number of training opportunities	28	27	8

As indicated in Table 4.2, the majority of the respondents perceived all of the internationally accepted benefits of teleworking presented to them to be present in their own personal circumstances as a teleworker. An increased number of training opportunities was the only benefit that was not indicated as being relevant to the sample.

Despite these benefits that are present as a result of teleworking, the majority of respondents in the sample did not feel that being offered the option to telework could replace a salary increase. Nine respondents (14.3 percent) felt that teleworking could replace a salary increase, with one respondent having indicated teleworking could replace a zero – five percent increase; seven respondents indicating a six to ten percent increase and one respondent indicating a 20 – 30 percent increase.

4.3.4 Teleworker challenges

Respondents were requested to indicate their perception of the most commonly identified challenges of teleworking drawn from the literature reviewed. One respondent (1.6 percent) chose not to answer any of the questions in this section.

As indicated in Table 4.3 below, the majority of the internationally accepted personal teleworker challenges are not indicated as being challenges to this sample group with the exception of working longer hours since teleworking.

Table 4.3 Challenges of teleworking

CHALLENGES	Number of Respondents		
	Disagree	Neutral	Agree
The organisation should pay for home office equipment	15	21	26
The organisation should provide assistance in the physical setup of home-office environment	17	30	15
Network connectivity to the organisation is a problem from home	41	8	13
The trust relationship between superior and teleworker has changed	31	17	14
Communication with superiors is a problem since teleworking	53	6	3
Teleworker is over-looked for promotions due to being a teleworker	45	13	4
Longer hours are worked since being a teleworker	9	12	40
The organisation should invest in new technology to assist teleworking	8	22	32
Teleworkers receive regular feedback on tasks from their superior	5	17	40
Teleworkers have to resolve their own technical issues, which would normally have been resolved by a technical specialist at the office	31	17	14
Teleworkers feel isolated from the organisation and co-workers	44	14	4
Teleworker have been given a clear understanding of what is expected of them	2	4	55
Family relationships now require more attention	43	12	7
The organisation is committed to the teleworking arrangement	4	7	50
Teleworkers experience a greater number of interpersonal communication difficulties with colleagues.	41	13	8
The teleworking team culture differs from the larger organisation's culture	14	22	26
The family of teleworkers experience greater stress from teleworking	49	6	7
The organisation facilitated the change to teleworking well	2	10	50

Managers measure teleworkers based on output	3	7	52
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The majority of respondents reported no communication or trust concerns with management since starting teleworking. Respondents also indicated that they do not feel isolated from the organisation and colleagues or an increase in interpersonal communication challenges. Respondents did not report an increased stress within the family unit resulting from teleworking or the need for increased attention on family relationships. Respondents were divided on the issues of the organisation paying for home office equipment and in providing assistance in setting up of the home-office environment.

4.4 ANALYSIS OF THE INDEPENDENT AND DEPENDANT VARIABLES

Five different types of statistical analysis were completed on the data in order to find statistically significant differences between the independent and dependant variables. The statistical methods chosen were determined by the suitability of the statistical tests to the data and by the research objectives.

4.4.1 Interaction between variables

ANOVA analysis was completed to determine the interaction between the selected variables of gender, number of days worked from home, the desire to work from home more than current, the level within the organisation and improved productivity. This indicated whether the variables could be assessed in isolation or if the variables needed to be analysed in conjunction with another variable due to the interaction between the variables affecting the outcome of the results.

Table 4.4 Variable interaction

Interaction between variables	Square χ^2	p -Value
Desire to work at home more than current and gender	2.515	0.000
Desire to work at home more than current and average number of days currently worked at home	2.752	0.001
Gender and the desire to work at home more than current	0.028	0.923
Improved productivity when working at home and level in organisation	5.527	0.002
Improve productivity when working at home and average number of days currently worked at home	0.570	0.492
Level in organisation and average number of days currently worked at home	2.880	0.139

As indicated in Table 4.4, respondents differed with statistical significance ($p < 0.05$) in their desire to work at home more than currently between gender

and the average number of days currently worked at home. There was no statistical significance ($p>0.05$) between gender and the average number of days currently worked from home. As a result of this the researcher was not required to analyse both of these variables together to identify reasons for respondents desire to work from home more than is currently the norm.

Improvements in productivity showed a statistically significant ($p<0.05$) difference between the respondents in different levels of the organisation, but no statistical difference ($p>0.05$) is present between improved productivity and the average number of days worked from home. There was no interaction that is statistically significant ($p>0.05$) between the respondents' level in the organisation and the average number of days worked from home. This did not require the researcher to analyse both of these variables together to identify reasons why productivity improves when working from home.

4.4.2 Support for the research objectives

Statistically significant results from the data are presented below and grouped together according to their relevance to the research objectives.

Table 4.5 Average days worked from home each week

Average days per week currently worked from home and:	Spearman χ^2	p -Value
Duration of teleworking at current organisation	-0.391	0.002
Length of service	-0.308	0.014
Duration of teleworking in total working life	-0.275	0.030
Age	-0.074	0.563

As indicated in Table 4.5, a significant negative correlation was found between the duration of teleworking at the current organisation and the average days spent per week working from home ($\chi^2 = -0.391$, $p = 0.002$), which indicated that a higher proportion of respondents who have been teleworking for short periods, generally work from home more than those who have been teleworking for longer periods.

A significant negative correlation was found between the length of service and the average days per week that respondents work from home ($\chi^2 = -0.308$, $p = 0.014$), which indicated that a higher proportion of respondents who have

been at the organisation for longer periods generally work from home less, despite remaining teleworkers.

A significant negative correlation was found between the duration of teleworking in respondent's total working life and the average days per week spent working from home ($\chi^2 = -0.275$, $p = 0.030$), which indicated that a higher proportion of respondents who have teleworked for many years, work from home less than those who have recently started teleworking.

A significant negative correlation was found between the age of respondents and the average days per week that are worked from home ($\chi^2 = -0.074$, $p = 0.563$), although the correlation is almost zero, with a higher proportion of older workers tending to work from home less than younger respondents.

Table 4.6 Gender and teleworking

<u>Gender measured against:</u>	<u>Pearson</u> χ^2	<u>p -Value</u>	<u>Dominant response</u>	
			<u>Male</u>	<u>Female</u>
Desire to work from home more than current	10.475	0.001	Yes	No
A decrease in sick days	9.264	0.010	Neutral	Agree
<u>Gender measured against:</u>	<u>Mann-Whitney U</u>	<u>P-Value</u>	<u>Dominant response</u>	
			<u>Male</u>	<u>Female</u>
Working longer hours as a teleworker	337	0.050	No	Yes
Desire to work from home more than current	282	0.001	Yes	No

As indicated in Table 4.6, a significant association was found between a desire to work more from home than the current practice from male respondents ($\chi^2 = 10.475$, $p = 0.001$), while female respondents tended not to express a desire to work from home more than they currently do. A significant association was found between female respondents and a decrease in sick days taken since becoming a teleworker ($\chi^2 = 9.264$, $p = 0.010$), whereas a higher proportion of male respondents tended to be more neutral.

Two statistically significant differences between two independent variables and respondents' gender were found using the Mann-Whitney test, with a higher proportion of male respondents having indicated that they would like to work from home more than they currently do ($\chi^2 = 337$, $p = 0.050$) and a

higher proportion of female respondents having indicated that they work longer hours since becoming teleworkers ($\chi^2 = 282, p = 0.001$).

Table 4.7 Length of service and teleworking

Length of service measured against:	Pearson χ^2	p -Value
Improved productivity when working at home	13.864	0.031
HR department having a teleworking policy in place	13.532	0.035
	Kruskal-Wallis χ^2	P-Value
Work longer hours since becoming a teleworker	9.602	0.008
The requirement for the organisation to pay for home office equipment	5.982	0.050

As indicated in Table 4.7, a significant association was found between the length of service and improved productivity when working from home ($\chi^2 = 13.864, p = 0.031$), with a higher proportion of those with longer service periods tending to indicate the highest improvement in productivity. A significant association was found between the length of service and the presence of an existing HR policy on teleworking ($\chi^2 = 13.532, p = 0.035$), with shorter service periods tending to indicate the presence of HR policies, while respondents with longer service periods indicated to be not as likely to have an HR policy.

There was a significant association found between length of service and working longer hours since teleworking ($\chi^2 = 9.602, p = 0.008$), with a higher proportion of respondents with a long period of service tending to indicate the greatest tendency to work longer hours. There was a significant association found between the length of service and respondents' attitudes towards the organisation needing to pay for home office equipment ($\chi^2 = 5.982, p = 0.050$), with a higher proportion of respondents having the highest period of service indicated this to be an important aspect of teleworking.

Table 4.8 Level in the organisation and teleworking

Level in the organisation measured against:	Pearson χ^2	p -Value
Improved productivity when working at home	15.117	0.019
Does HR department have a policy on teleworking	14.477	0.025
Reduction in monthly expenses	9.450	0.051
Nature of work	8.219	0.016
Would like to work from home more than currently do	6.724	0.035

	Kruskal-Wallis χ^2	p -Value
Does HR department have a policy on teleworking	14.477	0.025
Improved productivity when working at home	14.638	0.001
The organisation should pay for my home office equipment	7.054	0.029
Would like to work from home more than currently do	6.615	0.037

As indicated in Table 4.8, a significant association was found between the level in the organisation and an improved productivity when working from home ($\chi^2 = 15.117$, $p = 0.019$), with the higher the level of management, the higher the improvement in productivity indicated by respondents. A significant association was found between the level in the organisation and the presence of HR policy on teleworking ($\chi^2 = 14.477$, $p = 0.025$), with a higher proportion of lower level respondents and senior management having indicated an increased presence of HR policies that are in place at their organisation.

A significant association was found between the level in the organisation and a reduction in monthly expenses ($\chi^2 = 9.450$, $p = 0.051$), with a higher proportion of lower level respondents experiencing the greatest reduction, lower and middle management moderate reduction and senior management the least. A significant association was found between the level in the organisation and the nature of the work involved in daily ($\chi^2 = 8.219$, $p = 0.016$), with lower level respondents split between repetitive and changing daily work while senior level respondents indicated mostly work that changes daily.

A significant association was found between the level in the organisation and respondents attitudes towards the organisation paying for home office equipment ($\chi^2 = 7.054$, $p = 0.029$), with a higher proportion of lower and middle management expressing the highest need.

A significant association was found between the level in the organisation and a desire to work more from home than the current norm ($\chi^2 = 6.615$, $p = 0.037$), while a higher proportion of lower and middle management indicated additional days working from home are desirable and a higher proportion of non-management respondents indicated not wanting to work from home more than currently.

Table 4.9 Dependents at home and teleworking

<u>Number of dependents at home measured against:</u>	<u>Kruskal-Wallis</u>	<u>p -Value</u>
	χ^2	
Improved work life balance	12.692	0.005
An increase in the time spent with family	11.574	0.009
Decrease in stress levels	10.258	0.016
Work longer hours since teleworking	8.921	0.030

As indicated in Table 4.9, a significant association was found between the number of dependents at home and an improvement in work-life balance since teleworking ($\chi^2 = 12.692$, $p = 0.005$), with a higher proportion of respondents that have three or more dependents at home expressing the highest improvement in work-life balance. A significant association was found between the number of dependents at home and the increased time respondents spend with family since teleworking ($\chi^2 = 11.574$, $p = 0.009$), with a higher proportion of respondents who have three or more dependents, having indicated the greatest increase in time spent with family.

A significant association was found between the number of dependents at home and a decrease in stress levels since teleworking ($\chi^2 = 10.258$, $p = 0.016$), with respondents that have no dependents and those with two dependents expressing a similar response, but a higher proportion of respondents with three or more dependents expressed the highest decrease in stress. A significant association was found between the number of dependents at home and working longer hours since teleworking ($\chi^2 = 8.921$, $p = 0.030$), with a higher proportion of respondents with no or one dependent at home, having indicated the highest increase in working hours since teleworking.

4.5 BENEFITS AND CHALLENGES OF TELEWORKING

The final section of the questionnaire requested respondents to identify any particular benefits and challenges of teleworking, which respondents may have experienced, which they felt were not addressed as part of the questionnaire. This would identify any unique benefits and challenges to the South African context that are not present in the international literature.

4.5.1 Benefits of teleworking not addressed in the questionnaire

Of the total number of respondents, 36 respondents chose to include additional comments in the open-ended section of the questionnaire relating to benefits of teleworking.

All of the teleworking benefits mentioned in Table 4.10 below relate to personal benefits from teleworking and the positive impact that the teleworking arrangement has had on the teleworkers and their family. Not all of these benefits highlighted are unique to the South African context. Some of these benefits have already been addressed in the international literature and formed part of the questionnaire.

Table 4.10 Benefits of teleworking not addressed in the questionnaire

Benefit	Number of respondents
Not wasting time in traffic	16
Ability to deal with sick children and parents	11
Increase in the quality of time spent with family	11
Ability to work longer hours and over the weekend	5
Ability to increase face time with customers	5
Increase in self-discipline	5
Ability to improve eating habits for whole family and attending the gym	4
Change in focus from person to the output of work	3
Increased free time over weekend due to arranging for repair work and domestic staff to work and be monitored during the week	1
Ability to work and smoke at the same time, no time wasting	1

The most frequently cited benefit of teleworking in the open-ended questions was not wasting time in traffic due to travelling to the office during peak hours, followed by increased flexibility and family time, all commonly agreed benefits of teleworking. Unique comments included being more self-disciplined, improved eating habits and the ability to work and smoke at the same time.

4.5.2 Challenges of teleworking not addressed in the questionnaire

Of the total number of respondents, 25 chose to include additional comments in the open-ended section of the questionnaire relating to challenges of teleworking.

All of the teleworking challenges mentioned below in Table 4.11 relate to personal challenges from teleworking and the impact that the teleworking

arrangement has had on the teleworker. The frequency of these challenges is less than the benefits mentioned in the open-ended questions.

Table 4.11 Challenges of teleworking not addressed in the questionnaire

Challenges	Number of respondents
A tendency to work longer hours	6
An increased level of self-discipline and motivation required	4
A tendency to feel lonely and isolated at times	3
Better communication equipment is needed	2
A feeling of having to work constantly	1
Miscommunications can occur when only using email	1
Mobile internet connections can be frustrating and too slow of video	1
IT costs high and teleworkers are not compensated for office space savings made by organisations	1
Pressure relentless as colleagues know access to email is permanent	1
Entire teleworking team gets disciplined and not just those at fault	1
Managers only interested in results and offer little support	1
Compulsory office days now more intense with more meetings	1
Less assistance received from IT due to increased range of possible causes	1

The most frequently cited challenge of teleworking was the tendency to work longer hours, the increased level of self-discipline and motivation required and the tendency to feel lonely and isolated at times, all commonly agreed challenges of teleworking. Unique comments included frustrations from mobile internet connections, increased intensity of compulsory office days and discipline action which is taken against the whole teleworking team and not against the individuals responsible.

4.6 SUMMARY OF MAIN FINDINGS

The findings of the study have addressed the problem statement identified in Chapter One: Although internationally virtual workers are increasingly becoming part of the traditional organisation, the anticipated employee benefits and challenges have not been suitably investigated and verified in the South African context, questioning the benefits of implementing virtual working arrangements in South Africa.

The research question which seeks to determine if the internationally identified employee benefits and challenges are experienced by teleworkers in the services industry in South Africa, has been addressed by the findings of the study. The findings of the research support the internationally identified benefits and

challenges of teleworking and a summary of the main findings are presented below.

Teleworking in the services industry in South Africa appears to increase teleworkers loyalty to the organisation and increase morale, job satisfaction and productivity while also improving teleworkers work-life balance. The majority of teleworkers in the services industry work three days a week from home and over 50 percent of respondents (32 respondents) reported a general reduction in their monthly expenses since teleworking. Teleworkers feel less stressed since teleworking and spend a greater amount of time with their family and experience less sick days. Despite all of these benefits, the majority of teleworkers do not feel that teleworking can replace a salary increase.

Notwithstanding the current telecommunications infrastructure in South Africa, respondents do not report connectivity to organisations from home as a problem. Respondents have not experienced a reduction in the level of trust between management and teleworkers, with communication remaining constructive despite the physical separation. The majority of respondents do not feel isolated from their organisations and colleagues when teleworking and organisations appear to support and facilitate the change to teleworking well, through formal teleworking policies and commitment from management towards the teleworking arrangement.

The longer respondents have worked for their organisations and the longer they have teleworked, the shorter the average number of days that are currently worked from home each week. Gender, length of service, number of dependents at home and the level in the organisation all have an impact on teleworkers and the benefits and challenges that they experience, with an overall positive perception of teleworking expressed by respondents.

CHAPTER FIVE – INTERPRETATION OF THE FINDINGS

5.1 INTRODUCTION

The primary objective of the study was to determine the presence of the employee benefits and challenges of teleworking as identified in the literature (Akkirman & Harris, 2005; Curseu et al., 2008; Horwitz et al., 2006; Ilozor & Ilozor, 2002; Johnson, 2004; Kowalski & Swanson, 2005; Lim & Teo, 2000; Siha & Monroe, 2006; Tietze & Musson, 2003) as well as to identify any unique elements of telework arrangements in the services industry in South Africa.

The research has answered the research objectives and addressed the problem statement of the study and the findings will be discussed below.

5.2 ISSUES IDENTIFIED IN THE RESEARCH

5.2.1 Demographics of sample

An even spread of male and female respondents as well as an even spread across the different age groups and management levels were present in the sample. This spread allowed a balanced view to be presented in the findings, indicating that within the research sample, no particular preference towards any of these criteria was present in the selection of teleworkers and shows that teleworking appeals to a broad spectrum of people (Wicks, 2002). This finding is contrary to the findings of Patrickson (2002) and Ilozor and Ilozor (2002) who identified specific trends regarding age and the preference to teleworking in Australia and Europe respectively. No specific level of qualification or level of management within the organisation was shown as being preferred for teleworkers, with respondents indicating varying levels of qualifications and management throughout their organisations, indicating that the arrangement can work throughout organisations (Wicks, 2002).

Only one respondent indicated having some form of permanent physical disability, which indicates that local organisations are not yet using teleworking as a tool to expand their workforce into previous unchartered areas (Kepczyk, 1999; Patrickson, 2002) and to gain additional BBBEE points (Fourie, 2007). Teleworking in South Africa could also be used to employ people in rural areas, with the minimum communication requirements already in place, as a way to further expand the workforce and to earn BBBEE points. Local

organisations may not be following this approach due to the practice still being relatively new, with organisations looking to identify the challenges that they will experience before rolling out the working arrangement into further, more challenging locations and circumstances.

The majority of the sample leant towards teleworking at their current organisation for a short period of time, with 66.7 percent having teleworked for less than two years, despite 66.7 percent of respondents having worked at their current organisation for more than two years. This confirms the comments noted in Chapter One, that teleworking is a relatively new organisational form globally and within South Africa (Morgan, 2004; O'Brien & Hayden, 2007; Siha & Monroe, 2006). Ten and 15 respondents respectively did, however, indicate that in their total working lives they had teleworked for between two and four years and for more than four years, indicating that some organisations have been following the global trend of teleworking for longer than others, although this is limited.

Organisations that have teleworking arrangements in place still require 'face time' with employees to ensure that the arrangement functions efficiently as is indicated by various authors (Allert, 2001; Curseu et al., 2008; Kurland & Egan, 1999; Stanford, 2003). The findings indicated that 98.4 percent of the respondents work on average three days or less a week at home which supports these authors findings on 'face time' still being a necessary part of teleworkers' working arrangements. This could relate to managers not yet being secure with the notion of being able to manage employees without physically seeing them (Tietze & Musson, 2003), despite 82.5 percent of respondents stating that their managers measure them on output. Measuring teleworkers on output is an important aspect in making teleworking arrangements function correctly (Stanford, 2003; Tietze & Musson, 2003) and which should to a large degree allow managers the freedom of not seeing employees working daily.

Over half of the sample (57.1 percent) indicated that they would like to work from home more than what they currently do. This finding indicates that the respondents believe in and experience the benefits that they achieve out of

teleworking and that the current arrangement must, to a large degree, work for them and the organisation. The daily work completed by teleworkers changes constantly for the majority of respondents, whilst the remainder of respondents indicated that their work is mainly repetitive, which is contrary to authors Siha and Monroe (2006), who state that teleworkers work best when work is structured and repetitive. This possibly indicates that both types of working conditions can be suitable in a teleworking environment and that organisations do not need to favour one type of work over another when deciding on who should telework.

A third of respondents placed pressure on their organisation to start teleworking, which may indicate that employees are demanding a flexible working practice which supports the view of O'Brien and Hayden (2007) as one of the reasons for the promotion and development of teleworking arrangements.

Equipment that was required by teleworkers in the sample does not differ considerably from the equipment that is required in the office and organisations should be aware of this and ensure that the necessary equipment is available for teleworkers at home in order for them to fulfil their work requirements (Kepczyk, 1999). This finding indicates that there are definite costs for organisations who take up teleworking programmes (Horwitz et al., 2006; Kepczyk, 1999), in establishing proper home offices for employees with all the necessary equipment. Organisations would have to look at the best solutions that can be put in place at the least cost whilst still providing the necessary service to employees in order for them to function properly (Curseu et al., 2008).

Respondents were split on the issue of having the organisation pay for home office equipment (Kepczyk, 1999), having indicated that it is not a definite requirement when establishing a teleworking arrangement and that these costs may not always have to be borne by the organisation. This finding could also indicate that teleworkers perceive the soft benefits of teleworking to be significant enough to compensate them for the small capital outlay necessary to set up their home offices (Martinez-Sanchez et al., 2008). The majority of

respondents also indicated that no additional teleworking items, such as home office allowance or equipment allowance have been added to their salary structures since teleworking, which supports this finding.

Respondents were also mostly neutral when it came to having the organisation assist in the set up of their home office environment (Kepczyk, 1999). This finding could be as a result of the increasing user-friendliness of equipment (Kowalski & Swanson, 2005) which is easy to install or could indicate that respondents would like to have the privacy of their homes respected by their organisations, trying to keep definite boundaries in place between home and work.

According to respondents, organisations in the sample appear not to be taking full advantage of the new technologies available to them to improve on teleworking arrangements and reduce costs such as video conferencing and Voice-over-IP, which can drastically reduce costs incurred by teleworkers and their organisations as well as increase teleworkers effectiveness (Beasty, 2005; Curseu et al., 2008). With improvements in local broadband speed and pricing (Mutula, 2007), these technologies can be used with greater frequency by teleworkers.

5.2.2 **Benefits of teleworking**

The internationally accepted benefits of teleworking as discussed by various authors (Akkirman & Harris, 2005; Curseu et al., 2008; Horwitz et al., 2006; Ilozor & Ilozor, 2002; Johnson, 2004; Kowalski & Swanson, 2005; Lim & Teo, 2000; Siha & Monroe, 2006; Tietze & Musson, 2003) are present within the services industry in South Africa, with a strong indication from respondents that these benefits are present within their personal teleworking arrangements.

Teleworking was shown by respondents to increase loyalty to the organisation, increase employee morale and to increase job satisfaction in line with the views expressed by various authors (Beastley et al., 2001; Helms & Raiszadeh, 2002, Ilozor & Ilozor, 2002; Kowalski & Swanson, 2005; Martinez-Sanchez et al., 2008). This indicates that teleworking can be used by organisations that need to improve on these areas within their present

organisational culture. Teleworking can be used as a human resources tool for retaining and rewarding staff over the long term in order to build and maintain a competitive workforce, if compatible with job requirements (Baruch, 2003; Helms & Raiszadeh, 2002; Heneman & Greenberger, 2002; Ingham, 2006; Johnson, 2004; Martinez-Sanchez et al., 2008).

Respondents reported greater flexibility, improved work-life balance and a reduction in personal monthly expenses for teleworkers, highlighted by numerous authors (Helms & Raiszadeh, 2002; Mann et al., 2000; Wilsker, 2008). These aspects can be used as a motivational scheme by organisations to offer teleworking to those employees who prove themselves through increased output in terms of both quality and quantity while working at the organisation and again can be used as a tool to reward, motivate and retain employees (Hamilton et al., 2006; Kurland & Egan, 1999; O'Brien & Hayden, 2007).

The majority of respondents indicated that there is less distraction at home than at work, as noted by Kepczyk (1999) and Mann et al. (2000). This indicates a possible problem within the current office environment at organisations, as employees feel that they are not able to get on with work as they experience considerable distraction, which prevents them from getting work done. This points to how productivity within the office environment could be improved upon if some or all of these distractions are taken away or minimised. Respondents also indicated a definite improvement in productivity (Beastley et al., 2001; Helms & Raiszadeh, 2002) when working from home which supports these authors, with more senior respondents indicating the greatest improvement.

A decrease in sick days as a teleworker (Johnson, 2004), can be seen as a benefit for both the organisation and teleworkers, as organisations are able to increase productivity, reduce temporary labour costs and improve on the overall welfare of employees. Teleworking can be utilised as part of organisational 'wellness programmes', with this and other personal health and stress benefits in mind. Reduced sick days could result from experiencing less

stress as a teleworker as indicated by the majority of the respondents and noted by Ahmadi et al. (2000), Ilozor and Ilozor (2002) and Johnson (2004).

The majority of respondents confirmed an increase in the time spent with family since teleworking (Kowalski & Swanson, 2005; Martinez-Sanchez et al., 2008), but only marginally. The group of respondents who did not report an increase in time spent with family could be attributed to the eight respondents who are single or divorced (12.7 percent), the 18 respondents who do not have any dependants at home (28.6 percent) and the 21 respondents who are in the youngest age group (33.3 percent), who possibly choose to spend additional free time with friends and not family. Certain respondents made further specific mention in the open-ended questions of how teleworking facilitated an increase in the time spent with family, indicating that this benefit is present within the local environment.

Tietze and Musson (2003), Akkirman and Harris (2005) and Horwitz et al. (2006) suggest that on-going training is an essential component to the success of a virtual working arrangement. The respondents however, reported being offered little or no additional training since becoming teleworkers and over time, this may affect the long-term sustainability and performance of these teleworking arrangements.

Contrary to the findings of Martinez-Sanchez et al. (2008) and Wilsker (2008), the majority of respondents did not feel that being offered the option of teleworking is an acceptable replacement for a salary increase. Internationally, Martinez-Sanchez et al. (2008) state that offering employees 'soft benefits' may be as beneficial as financial rewards in retaining employees. The respondents may differ from these findings by Martinez-Sanchez et al. (2008) and Wilsker (2008) due to the current global economic downturn and local inflationary pressures experienced, which could cause financial anxiety. Nine respondents did indicate that teleworking could be a substitute for a salary increase. This finding possibly indicates that, over time, respondents may change their opinions of teleworking being a possible substitute for a salary increase as global economic conditions become favourable again. The finding also indicates that local teleworkers are not completely against this concept of

non-financial rewards, a findings which could be of considerable benefit to organisations over the long term.

5.2.3 **Challenges of teleworking**

The internationally accepted challenges of teleworking (Akkirman & Harris, 2005; Curseu et al., 2008; Horwitz et al., 2006; Ilozor & Ilozor, 2002; Johnson, 2004; Kowalski & Swanson, 2005; Lim & Teo, 2000; Siha & Monroe, 2006; Tietze & Musson, 2003) are not always present in local arrangements according to respondents, with only a few of the challenges presented to respondents forming part of the difficulties they currently experience as teleworkers. Challenges identified by respondents included: investment in new technology to assist in teleworking is required; a policy of who should pay for home-office equipment (teleworkers or the organisation); and the impact of differences in the teleworking team's culture and the organisational culture on relationships.

Despite respondents indicating that the organisation should invest in new technologies to assist in teleworking, respondents did not indicate network connectivity to the organisation as a concern (Horwitz et al., 2006), indicating that current connection speeds and technologies are considered acceptable by teleworkers. Respondents did, however, indicate that improvements with new technologies are sought to improve current working conditions (Horwitz et al., 2006). Respondents indicated that they do not personally address technical issues when at home, as organisations still provide the necessary support, allowing respondents to focus on their work goals and not be distracted by technical problems (Akkirman & Harris, 2005; Kepczyk, 1999). This practice could also contribute to the positive indication by respondents of improved productivity when working at home (Beastley et al, 2001; Helms & Raiszadeh, 2002; Kepczyk, 1999), which could be hampered if they had to resolve their own technical issues.

Trust relationships as well as communication with superiors has not been indicated by respondents as a concern when teleworking (Akkirman & Harris, 2005; Johnson, 2004; Panteli & Duncan, 2004; Siha & Monroe, 2006; Thorne, 2005; Vakola & Wilson, 2004). Respondents indicated that their organisation

facilitated the change to teleworking well and is committed to the teleworking arrangement, which may have contributed towards positive trust and communication relationships being present. This commitment from organisations could possibly contribute positively to the morale and the increase in job satisfaction (Johnson, 2004; Kowalski & Swanson, 2005; Martinez-Sanchez et al., 2008) as reported by the majority of respondents, which would not be so if these elements of trust and communication were under pressure when teleworking. Trust and communication are important areas that management needs to consider and monitor to ensure the ongoing success of teleworking relationships.

According to respondents, managers measure them on their output which indicates that the organisations are following the preferred performance measurement technique for teleworking (Stanford, 2003; Tietze & Musson, 2003). This measurement could possibly contribute towards employees positive feelings about the work approach and contribute to improvement in their productivity. Managers, according to respondents, have given teleworkers clear guidelines of what is expected of them when teleworking as well as regular feedback. This finding may be linked back to the presence of a specific HR policy on teleworking, which was known to the majority of respondents in the sample, assisting managers with the management of teleworkers (Akkirman & Harris, 2005, Horwitz et al., 2006; Mann et al., 2000; Panteli & Duncan, 2004). This feedback ensures that any uncertainty for teleworkers is quickly resolved, ensuring that little ambiguity and confusion is present when working away from the office. Removing the physical organisational boundaries by allowing employees to telework should not result in removing the institutional barriers and constraints which give employees direction and purpose within the organisation.

Interpersonal communication difficulties as well as feelings of isolation as indicated by Ahmadi et al. (2000), Curseu et al. (2008) and Mann et al. (2000) were not indicated as concerns for respondents. This finding could again be attributed to the organisations' commitment to teleworking, the well-facilitated change to teleworking, the existing HR policies that outline teleworking practices and procedures and sound management approaches to teleworkers

as reported by respondents. Through these management approaches, teleworkers are made to feel a part of the organisation, with the majority of respondents indicating that the teleworking team culture does not differ from the greater organisational culture and that they are not overlooked for promotion due to being a teleworker (Horwitz et al., 2006, Lim and Teo, 2000 & Mann et al., 2000). Teleworking team culture may not differ considerably from the greater organisational culture due to the majority of teleworkers in the sample spending at least two or three days at the office with colleagues each week, allowing a connection to the greater organisation to be maintained and embedded within the teleworking team. Management of the organisations appear to have facilitated the change to teleworking well, resulting in positive experiences by the majority of respondents (Ahmadi et al., 2000; Morgan, 2004; Vakola & Wilson, 2004)

Respondents noted longer working hours since working from home (Horwitz et al., 2006; Mann et al., 2000), but this is not always a negative aspect of teleworking, as indicated by five respondents who indicated this to be a benefit of teleworking in the open-ended questions. Depending on the type of work and the rewards structure used, teleworking may allow individuals to work longer hours and improve their financial rewards. Organisations would have to be careful not to create policies or reward structures that encourage employees to over-work themselves, resulting in the long-term sustainability of the entire process of teleworking being questionable as employees could suffer from burnout and leave the organisation (Horwitz et al., 2006).

Negative impacts on teleworkers' families as indicated by Kowalski and Swanson (2005) and O'Brien and Hayden (2007) were not noted by the respondents. This finding may be as a result of the positive and constructive way that teleworkers' managers support them in the working arrangement and as a result of the increased flexibility that the majority of respondents experience from teleworking. This is an important aspect of teleworking as if this were to be a negative influence and stress on the teleworker, it may well outweigh the benefits sought from teleworking arrangements.

Support for the research objectives

Respondents who have worked for their organisations for longer periods were found to work from home, on average, fewer days than respondents who have worked for the organisation for shorter periods. This was also the case when looking at respondents who had teleworked at their current organisation for longer periods, respondents who had teleworked for longer periods in their total working life and older respondents, who all work on average fewer days from home than those who had teleworked for shorter periods and who are younger.

Despite this group working from home less than others, they continue to remain teleworkers, working one or two days a week from home, showing that they still derive benefit from the teleworking arrangement. This finding could relate to respondents' levels within the organisation and, as they seek to move higher in the organisation, they feel the need to be present more in the office to be seen to be working and to network with colleagues, in order to position themselves for promotion. It could also relate to having colleagues reporting into these managers who feel the need to be present in the office to manage and deal with employee concerns. Finally, the finding that respondents with longer service periods, on average, worked fewer days from home than those with shorter service periods, could also indicate that teleworking is not a long-term working arrangement and that it can only really be exploited by employees and organisations for short periods in order to be effective. No literature was found that expressly identified this to be the case internationally. However, this finding would support the findings of Curseu et al. (2008) that virtual working teams may only be temporary in nature.

Male respondents and not female respondents indicated that they would like to work from home more than they do currently, while women, more so than male respondents, agreed that teleworking result in fewer sick days and that they work longer hours since teleworking. These responses could relate to the respondents who are single or divorced (12.7 percent), those who do not have any dependants at home (28.6 percent) and to those respondents who are in the youngest age group (33.3 percent), all factors which would have affected these findings.

These responses support the findings of Martinez-Sanchez et al. (2008) that teleworking may not benefit women the most as was originally noted, as the emergence of dual-career families is on the rise with a change in family dynamics. Women may feel the need to work longer hours when teleworking due to feeling increased pressure to be seen as contributing to the organisation. This pressure may be more focused on women than men as teleworkers, due to the social stigma regarding women staying at home to look after the children and being distracted by their children resulting in incomplete work tasks.

Respondents who have longer service periods at their organisations indicated the greatest improvement in productivity when teleworking. This improvement in productivity could relate to having established interpersonal and business connections that require less 'face time' at the office in order to complete work tasks, which is not always possible when starting work at a new organisation. This productivity improvement could also relate to the fact that respondents with longer service periods indicated the greatest increase in working hours when teleworking. Patrickson (2002) states that choosing older employees to telework will result in increased productivity from them due to having less distractions and fewer dependents at home, which support this finding.

Respondents with longer service periods were generally concerned about the organisation paying for home office equipment (Kepczyk, 1999), more so than those with shorter service periods. This finding may be attributed to a number of factors such as respondents who have teleworked for longer understanding the cost of equipment and all the necessities better than those who have teleworked for shorter periods and do not wish to incur these costs themselves. It could also relate to these respondents being of the older generation, where telecommunications and information technology equipment have not always been a part of their general day-to-day lives and are still seen as a luxury for which the organisation should pay. Respondents who had worked at organisations for shorter periods were shown to also be of a younger age group. This finding could account for these respondents wanting to buy their own equipment due to increased knowledge of the available items and due to having specific requirements, the costs of which they do not think

they can pass onto the organisation and which they can utilise for personal use. Younger respondents may also feel that they do not yet have the power or seniority within the organisation to make such demands on the organisation and choose to pay for the equipment themselves.

Respondents who are more senior in their organisations' management teams reported the greatest increase in productivity, a finding that may be related to having more distractions at the office, with more requests and staff problems which are avoided at home, allowing them to be more productive. These respondents also indicated that they would like to work from home more than they currently do, a finding that was earlier reported as being primarily related to teleworkers having shorter service periods and lower management levels at their organisations.

The higher the level of management occupied by respondents, the greater the likelihood of specific HR policy for teleworkers according to the respondents. This HR Policy structure could relate to the organisation putting increased boundaries on teleworkers in higher management positions within organisations and limiting the number of days that they can work from home due to their increased importance within the organisational context. Respondents who indicated that no HR policy specific for teleworkers was present at their organisations, may not be aware of the policies in place or they may not have been properly communicated to all teleworkers, which may account for the difference in respondents answers.

Respondents that are more senior in their organisations also indicated the greatest reduction in monthly expenses as a result of teleworking (Wilsker, 2008). This decrease in expenses could be as a result of this group also expressing the highest desire for the organisation to pay for home office equipment, reducing their home-office expenses, or continuing to receive management benefits as if they were office bound. Wilsker (2008) states that the average full-time teleworker in the USA receives a salary raise of \$8,400 per year, regardless of salary scale, due to the reduced monthly expenses associated with teleworking. Almost half of respondents (49 percent) indicated that they do not have reduced monthly expenses or were neutral on the

matter. This finding possibly indicates that local teleworking conditions are different to those in the USA, that part-time teleworkers do not derive as much financial benefit as full-time teleworkers and that perhaps respondents need to be educated on what expenses they are saving or reducing each month to make them more aware of this benefit of teleworking.

Respondents with dependants at home indicated the greatest improvement in work-life balance, with an increased number of dependents at home associated with the greatest reported improvement in work-life balance, the greatest increase in time spent with family and the greatest reduction in stress (Kepczyk, 1999). This finding is contrary to Kowalski and Swanson (2005) and O'Brien and Hayden (2007) who state that 70 percent of teleworkers experience greater stress from having deal with family responsibilities when working at home. As the number of dependents increase, higher family demands may be placed on respondents, who through the flexibility of teleworking are able to better deal with these demands and experience a greater work-life balance according to respondents. Respondents are able to assist with ill dependents and avoid the stress and worry of dependents while at work as they are able to watch over them whilst teleworking. Teleworkers are able to structure their working time around family activities and demands, allowing teleworkers to complete activities in-between working as well as working at night when more convenient and when family demands have been addressed during the day.

Respondents with no dependents or with only one dependent at home indicated the greatest increase in working hours since teleworking, when compared to those with more dependants. Teleworking may be used as an opportunity to stay ahead of colleagues, allowing younger professionals more time to complete work tasks in an effort to progress within their organisations. Teleworkers who work within commission structures could also use the arrangement to complete more working hours to boost income, especially within the context of the global economic downturn.

5.2.5 Further benefits and challenges of teleworking

Specific benefits of teleworking indicated by respondents included not wasting time in traffic (Siha & Monroe, 2006; Watad & Will, 2003) and increased flexibility (Helms & Raiszadeh, 2002; Mann et al., 2000). These two benefits also relate to the reduction in stress levels reported by respondents as well as improved work-life balance and increased time spent with family as more time is available to teleworkers, which confirms the conclusions of Ahmadi et al. (2000), Ilozor and Ilozor (2002) and Johnson (2004).

One benefit mentioned by respondents that does not appear prominently in the international literature is the ability of teleworkers to improve their lifestyles by being healthier through eating better meals and attending the gym more often. Society in general has an increased focus on being healthy and organisations who offer wellness programmes for employees could utilise teleworking to supplement and promote this approach.

Teleworking was also indicated by respondents to bring the best out of them through forcing them to make decisions and be more disciplined through management focusing on the output of teleworkers and not the individual worker (Tietze & Musson, 2003). Organisations can utilise teleworking to promote these aspects within their workforce and may even use teleworking for short periods to allow employees to develop these skills before returning to full office bound work.

Respondents indicated constant pressure on teleworkers to work and produce results as a challenge to teleworking which can weigh on the benefits of the approach. This could be as a result of office bound colleagues being jealous of their teleworking counterparts as well as not being educated by their organisations in appropriate conduct with teleworkers (Ahmadi et al., 2000; Anon, 2008). Teleworking can result in increased stress levels of teleworkers if not properly managed by them and if they are not educated in the best way to handle teleworking challenges and family responsibilities, which should be a management consideration when designing and initiating teleworking arrangements (Kowalski & Swanson, 2005; O'Brien & Hayden, 2007).

5.3 LIMITATIONS OF THE STUDY

Various factors may limit the accuracy and validity of the data collected including the presentation and interpretation of the findings of the research. These factors were borne in mind by the researcher during the different phases of the study in order to limit their possible effects on the outcome of the study.

Limitations that preclude the findings from being generalised more broadly than the sample setting include:

- The ethnicity of respondents was mostly white (84.1 percent), which may prevent the findings from being applied to the broader population within South Africa;
- Respondents may not have correctly understood the questions and, accordingly, may have not provided correct answers ;
- Respondents from a limited number of organisations formed the sample and their views may not be representative of the actual conditions of teleworking in organisations;
- The majority of respondents (66.7 percent) had teleworked for less than two years and, therefore may comprise a premature sample who have not had sufficient exposure to teleworking to comment knowledgeably on the subject;
- Experiences and perceptions of telecommuting arrangements may differ between industries and is out of the scope of this research which may limit the generalisation of the findings to other industries;
- A limited number of respondents comprised the sample which, again limits the generalising of the findings.

5.4 CONCLUSION

The findings of the research have answered the research objectives set in Chapter One, with the benefits of teleworking and only selected challenges present in the services industry according to respondents. Limitations of the study do not present challenges that have unduly affected the findings of the study and will not prevent the study from being replicated.

CHAPTER SIX – CONCLUSION

6.1 SUMMARY OF THE STUDY

The objective of the study was to determine how the presence of globally researched employee benefits and challenges of teleworking pertain to and affect the adoption of teleworking arrangements in the services industry in South Africa.

The findings indicate that these international benefits have been found to be present in the local context of teleworking, with respondents indicating a high conformity to internationally researched benefits. On the contrary, respondents do not appear to be affected by as many of the challenges faced by their international teleworking counterparts, with many of these challenges reported in the literature not present at all within the sample researched.

There is room for improvement by local organisations within the sample's current teleworking arrangements, none of which are insurmountable and which add considerable benefit to the organisation and to its employees who are engaged in teleworking arrangements. Local organisations and employees who are investigating the possibility of implementing a teleworking arrangement, can expect to enjoy similar benefits from teleworking as reported in international literature (Johnson, 2004; Kepczyk, 1999; Kowalski & Swanson, 2005; Siha & Monroe, 2006,).

6.2 RECOMMENDATIONS

Organisations will not achieve success in implementing teleworking arrangements if they do not carefully investigate and analyse each of the aspects of teleworking as highlighted in the international literature and as noted in this study. Teleworking arrangements and their requirements differ between organisations resulting in no single fail-safe model (Morgan, 2004) which requires organisations to address all of these unique elements prior to implementing a teleworking arrangement. However, there are fundamental processes and behaviours that need to be in place in order for successful and sustainable teleworking arrangements. These include: a specific HR policy for teleworkers; management commitment with high quality communication between teleworkers and management, regular feedback and clear guidelines of what is required of teleworkers and suitable technology and equipment for teleworkers.

Local teleworkers and organisations can expect to experience the internationally accepted benefits of teleworking arrangements as well as some of the challenges. Through management commitment, sustained and open communication and the use of available technologies, teleworking arrangements can work to benefit organisations, employees and the community at large. No noteworthy and unique benefits or challenges outside those included in the international literature were identified in the local context as part of this study.

Teleworking in South Africa will become easier and more efficient as developments in technology and, in particular, in telecommunications, continue to make teleworking a viable organisational form. Although the current available facilities do not appear to hinder already established teleworking arrangements, improvements in broadband facilities and lower equipment and setup costs will provide a boost to teleworking arrangements in the future.

Organisations should adopt pilot programmes (Morgan, 2004) in South Africa to determine the suitability and performance of teleworking arrangements within their organisations that can be achieved without considerable capital cost. These pilot studies will allow organisations to test the processes required and to establish a benchmark on which to grow and establish teleworking arrangements.

Specific human resource policies for teleworking must form part of teleworking arrangements (Mann et al., 2000) so that before entering into the new arrangement, each party is fully aware of the expectations of them and what benefits and challenges may be faced when establishing a teleworking arrangement. Managers of teleworkers will need to adjust their management styles and performance measurement processes to include the changes in working conditions of personnel to ensure that performance management still forms an integral part of the manager and employee relationship (Stanford, 2003).

Teleworking can be utilised as part of an organisation's wellness programme and can be used as an employee retention strategy. Teleworking can be used as an HR strategy to improve the overall desirability of an organisation to potential employees and to retain talented employees within the organisation (Baruch, 2003; Heneman & Greenberger, 2002). At the same time, organisations who take

part in 'green' initiatives to reduce their impact on the environment can use teleworking as part of this programme (Siha & Monroe, 2006).

Once an employee is given the opportunity to telework, the benefit of teleworking may be removed if they are not seen to improve or remain as a high performer within the organisation. This will require a detailed performance management system to be in place at the organisation and will require that this system is monitored and managed by the organisation in order for this process to succeed.

Teleworking arrangements differ in size, complexity and form and, if properly implemented, can have a considerable impact on the organisation, its employees, productivity, the environment and the community at large. Respondents in different geographical locations may have differing views and experiences of teleworking which may have an impact on how teleworking arrangements are experienced and must not be overlooked by organisations.

6.3 SUGGESTIONS FOR FURTHER RESEARCH

The study has uncovered many research avenues which would be of benefit to local organisations in developing and implementing new and further teleworking programmes, these could include:

- Identifying implications and reasons why it appears that as employees telework for longer periods and rise in management rank, the average number of days that they telework appears to reduce;
- Identifying the impact on office bound colleagues of allowing only a portion of a department or the organisation to telework;
- Identifying potential social savings and positive impact on the environment and society, in general, if teleworking had to be adopted by a large portion of local organisations;
- Identifying how teleworking affects the different age groups and what these different groups use their increased flexibility, time and reduced monthly expenditure to achieve;
- Identifying how teleworking arrangements affect employee retention and talent management in the local context;

- Identifying the correct reward structures for different teleworkers to obtain the best performance from teleworkers without over-working them;
- Identifying items to include in human resource policies and training for teleworking and the impact of not having a specific policy in place has on the teleworking arrangement.

Teleworking arrangements are on the increase globally due to the benefits they offer and the current global business environment and challenges faced by organisations and their employees. South African businesses and government have failed to capitalise on this new employment trend and the benefits that it has to offer greater society. Further detailed local studies are necessary in order to highlight the particular challenges and benefits that face local organisations and teleworking and greater promotion of this organisational form is necessary to increase its prevalence.

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APPENDIX A



July 2009

Dear sir/madam,

The global business environment continues to become more challenging and dynamic with each passing day, necessitating organisations to seek new ways to remain competitive and to retain employees.

Teleworking, the working arrangement that allows an employee to work from home on an agreed upon basis each week, is becoming more prevalent in the international business context, but has been used to a limited degree within the South African context.

This study aims to identify the benefits and challenges experienced by employees who currently telework and to determine how these differ from the internationally accepted benefits and challenges.

Your input into this study will be highly appreciated and will be used to benefit the greater business community within South Africa, as minimal literature and research specific to South Africa is available.

Your details and participation will not be revealed to any third party or to your company at any time, your confidentiality is assured at all times.

It should not take you longer than 15 minutes to complete the questionnaire, which must then be returned to nicholas@pakmail.co.za or via fax to **0865 377 422** by no later than 29 July 2009.

The questionnaire can either be printed, completed and scanned/faxed back to the email/fax number above, or the questionnaire can be saved onto your computer, completed as indicated and then emailed back to the researcher.

Should you require any assistance or further information, please do not hesitate to contact the researcher directly on nicholas@pakmail.co.za.

Should you wish to contact the University supervisor of this research, please contact Professor Thomas on adelet@uj.ac.za.

Thank you again for your response to the questionnaire.

Sincerely,

Nicholas Baard

PLEASE ANSWER THE FOLLOWING QUESTIONS AS INDICATED BELOW OR BY WRITING DOWN YOUR ANSWER IN THE SPACE PROVIDED.

EXAMPLE of how to complete this questionnaire:

1. Gender: (if you are female)

Male	
Female	X

Section A – Background information

This section of the questionnaire refers to the background or biographical information of all respondents. The researcher is aware of the sensitivity of the questions in this section, the information will allow cross comparisons of the respondents for research purposes only.

Again, your assistance is appreciated and the confidentiality of all your responses is assured.

1. Gender

Male	
Female	

2. Age

16 – 22 years	
23 – 28 years	
29 – 34 years	
35 – 40 years	
41 – 50 years	
51 years & above	

3. Marital Status

Single	
Married/Co-habiting	
Divorced	
Widowed	
Other, please specify	

4. Ethnic Group – this information is used for research purposes only and will remain confidential.

African	
Coloured	
Indian	
Asian	
White	
Do not want to indicate	

5. Do you have any kind of permanent physical disability, defined as an injury which impairs the physical ability of a person to perform his/her normal work or non-occupational activities supposedly for the remainder of his/her life?

No	
Yes	

6. Number of dependants at home

None	
One (1)	
Two (2)	
Three (3)	
Four (4)	
Five or more (5 or more)	

7. **Length of service** at current organisation:

0 – 6 months	
7 months – less than 1 year	
1 – less than 2 years	
2 – less than 3 years	
3 – less than 4 years	
4 years or more	

8. **Duration of teleworking** at CURRENT organisation:

0 – 6 months	
7 months – less than 1 year	
1 – less than 2 years	
2 – less than 3 years	
3 – less than 4 years	
4 years or more	

9. **Duration of teleworking** in TOTAL working life:

0 – 6 months	
7 months – less than 1 year	
1 – less than 2 years	
2 – less than 3 years	
3 – less than 4 years	
4 years or more	

10. Average days per week that you **CURRENTLY** work from home:

None (0)	
One (1)	
Two (2)	
Three (3)	
Four (4)	
Five (5)	

11. Would you say your daily work:

Changes daily	
Is mainly repetitive	
Other, please specify	

12. Your current level within the organisation:

Non-management position	
Lower Management	
Middle Management	
Senior Management	
Executive	
Professional	

13. Highest Qualification Achieved:

Less than Matric	
Matric	
Post Matric Diploma	
Post Matric Certificate	
Bachelors Degree	
Honours degree	
Masters degree	
Doctorate	
Other, please specify	

Section B

This section of the questionnaire covers the potential benefits that you may experience as a teleworker.

14. To what extent do you experience each of the following since you started teleworking?
Please indicate your answer using the 5-point rating scale provided by placing an **X** in the relevant space.

Please consider each statement in the context: **TELEWORKING RESULTS IN:**

	To no extent	To a limited extent	Neutral	To a large extent	To a great extent
Greater loyalty to my organisation					
Greater flexibility in my job					
An increase in my morale					
An increase in my job satisfaction					
An improved work-life balance					
Less distraction for me at home than at work during working hours					
A decrease in my stress levels					
An increase in the time I spend with my family					
A reduction in my monthly expenses					
A decrease in sick days as a teleworker					
An improved productivity when working at home compared to the office					
An increased number of training opportunities being offered to me					

15. Would you like to work from home more than you currently do?

Yes	
No	

16. Would you say that the employees placed pressure on the organisation to start a teleworking programme?

Yes	
No	

17. Have additional items such as home office allowance, equipment allowance etc, which relate directly to your teleworking arrangement been added to your salary structure?

Yes	
No	

18. Do you consider being offered the option of starting teleworking an acceptable replacement for a salary increase?

Yes	
No	

If No, please skip question 19 and proceed with Section C.

19. If answering Yes to question 18, in your opinion what percentage increase does teleworking represent?

0 – 5%	
6 – 10%	
11% - 15%	
16% - 20%	
20 – 30%	
31% and above	

Section C

This section of the questionnaire covers the potential challenges that you may experience as a teleworker.

20. How often do you use each of the following forms of communication with co-workers whilst teleworking?

Please indicate your answer using the 4-point scale, leaving blank those that are not applicable to your current situation.

	Never	Rarely	Often	Always
Telephone				
Email				
Video-conferencing				
Fax				
Voice-over-IP (VOIP)				
Web-based technologies				
On-line chat forums				
Other, please specify				

21. To what extent do you agree with each of the following?

Please indicate your answer using the 5-point scale providing and placing an **X** in the relevant space. **Please consider each statement in the context after starting teleworking.**

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
The organisation should pay for my home office equipment					
The organisation should provide assistance in the physical setup of my home-office environment					
Network connectivity to the organisation is a problem from home					
The trust relationship between my superior and I has changed					
Communication with superiors is a problem since teleworking					
I am over looked for promotions due to being a teleworker					
I work longer hours since becoming a teleworker					
The company should invest in new technology to assist teleworking					
I receive regular feedback on tasks from my superior					
I have to resolve my own technical issues, which would normally have been resolved by a technical specialist at the office					
I feel isolated from the organisation and my co-workers					
I have been given a clear understanding of what is expected of me as a teleworker					
My family relationships now require more attention					
The organisation is committed to the teleworking arrangement					
A greater number of interpersonal communication difficulties with colleagues are now experienced					
The teleworking team culture differs from the larger organisation's culture					
My family experiences greater stress from my teleworking					
My organisation facilitated the change to teleworking well					
My manager measures me based on my output					

22. Does your superior still arrange face-to-face meetings with you now that you are a teleworker?

Yes	
No	

23. Does your HR department have specific written policies for teleworking?

Yes	
No	
In Progress	
I don't know	

Section D

This section of the questionnaire covers the areas not already discussed that you may experience as a teleworker.

24. Please describe any personal benefits, not already mentioned above, that you have experienced as a teleworker.

25. Please describe any personal challenges, not already mentioned above, that you have experienced as a teleworker.

26. Would you like to receive feedback on this research once it has been completed?

Yes	
No	

Thank you for taking the time to complete this questionnaire, which will contribute to this research on teleworking in South Africa.

Your responses will remain confidential at all times and please feel free to contact the researcher on the details below should you have any queries.

Please return the completed question to nicholas@pakmail.co.za or via fax to **0865 377 422**.

Thank you.